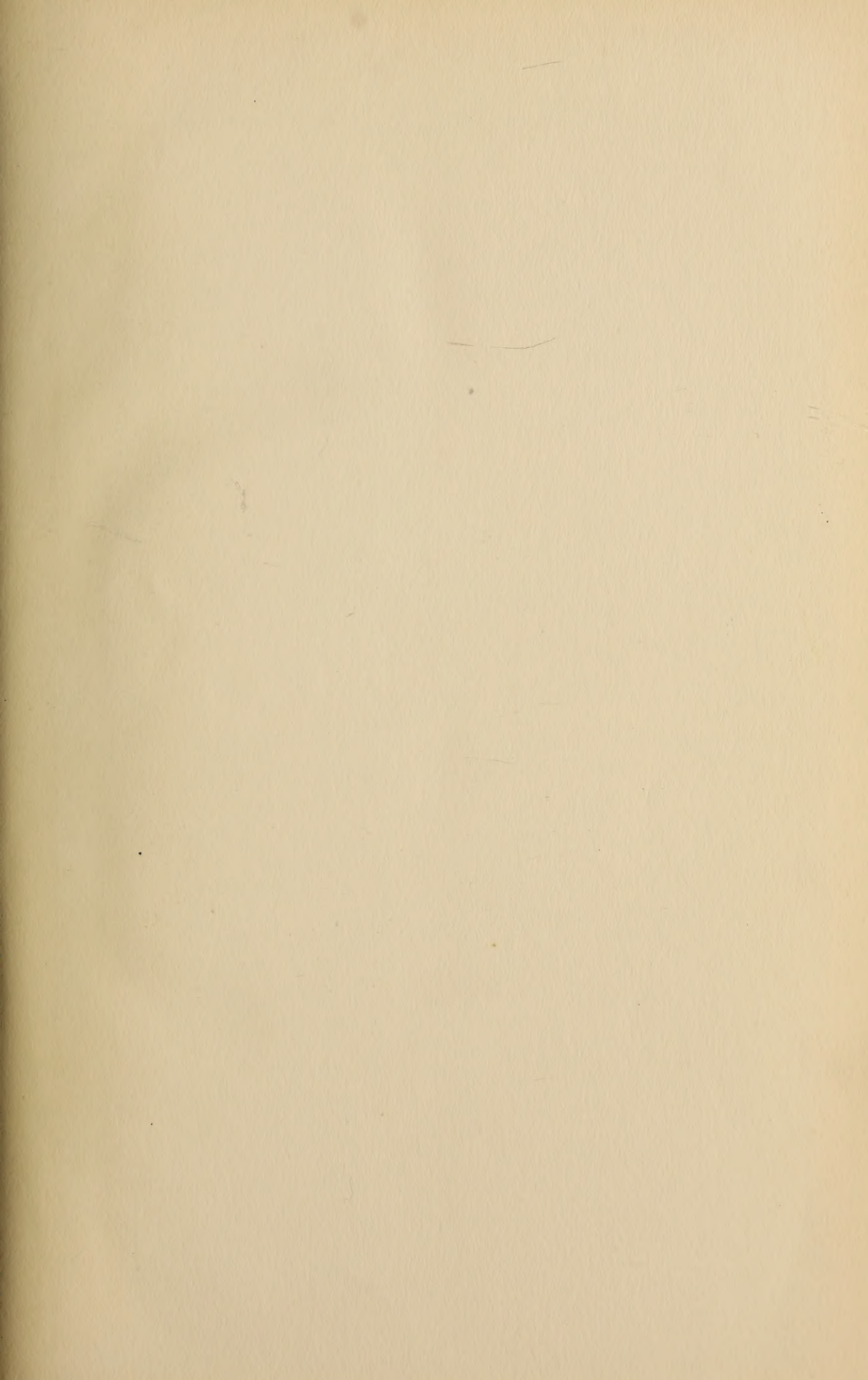



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Canad. Trade and Commerce, Sept. 1925
Vol. 34 (Jan. - June 1926)

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, January 2, 1926

No. 1144

TABLE OF CONTENTS

	Page		Page
Income Tax Liability of Non-resident Business Firms Trading in the United Kingdom through Agents	1	Sundry Lines for Siam	13
Representation of Canadian Exporters in Scotland and Northern Ireland	6	Trade and Economic Conditions in China	22
External Trade of South Africa during 1924	7	Bahamas Invoicing Regulations	22
—VII: Imports of Machinery and Tools	7	Timber for the London County Council	23
Duty on Automobiles entering Sierra Leone	11	Modifications in South African Customs Forms	23
Summary of the Trade of Canada: Month, Six Months, and Twelve Months ending November, 1925	12	Résumé of Economic Conditions in Japan	23
French Indo-China Market	13	General Conditions in Argentina	26
Market for Industrial Chemicals in Mexico—I	16	Trade Inquiries for Canadian Products	23
		Foreign Exchange Quotations for the Week ending December 28	30
		Proposed Sailings from Canadian Ports	30
		Commercial Intelligence Service	32

INCOME TAX LIABILITY OF NON-RESIDENT BUSINESS FIRMS TRADING IN THE UNITED KINGDOM THROUGH AGENTS

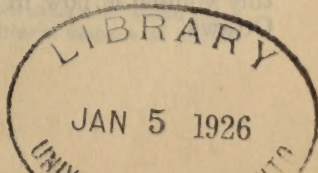
TRADE COMMISSIONER HARRISON WATSON

London, December 9, 1925.—The United Kingdom now remaining practically the only open market in the world, competition for its import trade has become increasingly keen. Canadian manufacturers and exporters who have personally investigated in this country the possibilities of business, universally confirm the advice which has long been given by resident Trade Commissioners, that in order to secure a regular and permanent footing, it is necessary for the Canadian exporter to keep in touch with the market through the medium of some one who is permanently on the spot.

No sooner, however, has a decision been arrived at than the problem of the United Kingdom income tax regulations presents itself.

The law calls upon every resident of the United Kingdom to make a return showing his income and profits to the local Commissioners of Taxes, in order that the sum payable in respect to income tax may be assessed. This obligation extends to agents of overseas firms in connection with the profits arising from business done in this country by their principals.

It is consequently to the advantage of the Canadian exporter to make arrangements which, while fully complying with the requirements of the law, protect him from the superfluous pitfalls into which he will inevitably fall unless he most carefully and thoroughly investigates the position and the responsibilities which he is incurring.



Discussions with numerous Canadian firms and their representatives, combined with the experience of many Canadian houses who maintain branches or representatives in the United Kingdom, show that the subject of the income tax liability of representatives bristles with endless difficulties.

For this reason it is considered necessary that any Canadian exporters who are about to commence business in this country should secure expert advice upon any feature regarding which they are in doubt.

The only one point which is certain is that the Inland Revenue authorities will endeavour to extract up to the last penny of income tax to which the law entitles them.

Cases of doubt or dispute are dealt with, not by the Board of Inland Revenue, but by another body, the Commissioners of Income Tax, and the ultimate decision is influenced by a number of judgments which have been pronounced as a result of various test and other cases which have been held.

The whole question is governed by the Income Tax Act of 1918. The formerly existing position of the agent has been materially affected by a modification adopted in the Finance Act of 1925, which grants exemption to what is described as a "broker" or "general commission agent" from payment of income tax to which a resident representative is otherwise liable in respect to the profits of his overseas principals. The point is a fine one, and obviously dependent upon the official definition of what constitutes a "broker" or "general commission agent". In reply to my formal request for this definition, the Secretary of the Board of Inland Revenue writes:—

He (the non-resident principal) is not so chargeable, however, in the name of any broker or general commission agent, who merely transacts business for the non-resident in the ordinary course of his business as broker or general commission agent, at a rate of remuneration not less than that customary in the class of business in question.

This is supplemented by the statement that the question of liability in any given case lies not with the Board of Inland Revenue, but with the Income Tax Commissioners.

Under all the circumstances it would be obviously a hazardous matter for any one except an official of the Board of Inland Revenue, or a qualified lawyer, to prepare a report on such a complicated subject which could be sufficiently authoritative to be of any practical value to Canadian business men.

The writer therefore approached the Secretary of the Board of Inland Revenue, explaining the vital importance of the matter to Canadian exporters, and suggesting that it would be of the greatest help if the board could have prepared a special memorandum which would set forth what must be done in order to comply with the existing regulations. It was pointed out that such a procedure would be quite unusual, and it was also uncertain if this action could be taken. However, it was kindly arranged that the request should be submitted to the board for consideration. The writer is happy to be able to report that the decision of the board has been favourable, and that he has now been supplied with a memorandum which appears to deal most comprehensively with the subject of the income tax liability of non-residents trading in the United Kingdom through agents. It is reproduced below in its entirety. The courtesy of the Board of Inland Revenue will be greatly appreciated by Canadian firms interested.

Our obligation to the board is increased by the fact that they have courteously provided a copy of the publication *Harrison's Index to Tax Cases* to which reference is made in the concluding paragraph of the memorandum, and this volume is now in the possession of the Commercial Intelligence Service at Ottawa.

Official Memorandum Prepared by Government Board of Inland Revenue

"(1) *Liability of Non-resident.*—Non-residents trading in the United Kingdom through agents are made liable to income tax by the charging section of Schedule D in the Income Tax Act, 1918, which provides:—

Tax under this Schedule shall be charged in respect of . . . the annual profits and gains arising or accruing to any person, whether a British subject or not, although not resident in the United Kingdom . . . from any trade . . . exercised within the United Kingdom.

"(2) *Non-resident chargeable in Name of Agent, etc.*—The general provisions in regard to the extent of the liability of the non-resident and the person in whose name the assessment is to be made, are contained in Rule 5 of the General Rules:—

A person not resident in the United Kingdom, whether a British subject or not, shall be assessable and chargeable in the name of . . . any factor, agent, . . . whether such factor, agent, . . . has the receipt of the profits or gains or not, in like manner and to the like amount that such non-resident person would be assessed and charged if he were resident in the United Kingdom.

"And Rule 6 of the General Rules reads as follows:—

A non-resident person shall be assessable and chargeable in respect of any profits or gains arising, whether directly or indirectly, through or from any factorship, agency, receivership, branch or management, and shall be so assessable and chargeable in the name of the factor, agent, receiver, branch, or manager.

"(3) *Liability of Agent to make Returns.*—The liability of the agent to make returns is dealt with in Section 101:—

Every person acting in any character on behalf of any person not resident in the United Kingdom who, by reason of such . . . non-residence in the United Kingdom cannot be personally charged under this Act, shall whenever required to do so by any general or particular notice . . . deliver . . . a statement of the profits and gains in respect of which the tax is to be charged on him on account of that other person.

"(4) *And to pay Duty.*—The liability of the agent to pay the duty is set out in Rule 13 of the General Rules: —

The person . . . in whose name a non-resident person is chargeable shall be answerable for all matters required to be done under this Act for the purpose of assessment and payment of tax.

"(5) *Indemnification of Agent.*—The indemnity of the agent against his principal is dealt with in Rule 14 of the General Rules:—

Any person who has been charged under this Act in respect of any . . . non-resident person . . . may retain, out of money coming into his hands on behalf of any such person, so much thereof from time to time as is sufficient to pay the tax charged, and shall be indemnified for all such payments made in pursuance of this Act.

"(6) *Limitation of Liability on the Part of Non-resident Manufacturer or Producer.*—The liability to British income tax in the case of a non-resident manufacturer or producer may not extend to the full amount of the profits made from the sales effected through the agency or branch in the United Kingdom. On application to the Commissioners in the manner directed in Rule 12 of the General Rules, the assessments may be restricted

on the basis of the profits which might reasonably be expected to have been earned by a merchant or, where the goods are retailed by or on behalf of the manufacturer or producer, by a retailer of the goods sold, who had bought from the manufacturer or producer direct. Further, the liability to British income tax does not extend to profits arising to non-resident from transactions with other non-residents, although such transactions may be effected through an agent here. Rule 11 of the General Rules provides:—

The fact that a non-resident person executes sales or carries out transactions with other non-residents in circumstances which would make him chargeable in pursuance of these rules in the name of a resident person shall not in itself make him chargeable in respect of profits arising from those sales or transactions.

"(7) *Charge on Percentage of Turnover where Profits cannot be readily ascertained.*—Where the true amount of the profits or gains of any non-resident person from the trade exercised in the United Kingdom cannot be readily ascertained, the commissioners may, if they think fit, assess the non-resident person on a percentage of the turnover of the business done through the agent. The provisions in regard to the determination of this percentage are contained in Rules 8 and 9 of the General Rules. Rules 8 and 9 are as follows:—

Where it appears to the Commissioners by whom the assessment is made or, on any objection or appeal, to the general or special commissioners that the true amount of profits or gains of any non-resident person chargeable with tax in the name of a resident person cannot in any case be readily ascertained, the commissioners may, if they think fit, assess and charge the non-resident person on a percentage of the turnover of the business done by the non-resident person through or with the resident person in whose name he is chargeable as aforesaid, and in such case the provisions of this Act relating to the delivery of statements by persons acting on behalf of others shall extend so as to require returns to be given by the resident person of the business so done by the non-resident person through or with the resident person, in the same manner as statements are to be delivered by persons acting for incapacitated or non-resident persons of profits or gains to be charged.

(1) The amount of percentage under the last preceding rule shall in each case be determined, having regard to the nature of the business, by the commissioners by whom the assessment on the percentage basis is made, subject, in the case of an assessment made by the additional commissioners, to objection or appeal to the general or special commissioners.

(2) If either the resident person or non-resident person is dissatisfied with the percentage determined either in the first instance or by the general or special commissioners on objection or appeal, he may, within four months of that determination, require the commissioners to refer the question of the percentage to a referee or board of referees to be appointed for the purpose by the Treasury, and the decision of the referee or board shall be final and conclusive.

"(8) *Trading within contrasted with Trading with the United Kingdom.*—The liability to income tax arises in connection with trade exercised *within* the United Kingdom but does not extend to the profits of trading *with* the United Kingdom.

"*What constitutes Trade exercised within the United Kingdom.*—The question of what constitutes trade exercised *within* the United Kingdom has been the subject of numerous judicial decisions; in this connection reference may be made to the cases of

Grainger v. Gough (1896), A.C. 325.

Smidh v. Greenwood (1922), 1 A.C. 417.

Wilcock v. Pinto & Co. (1925), 1 K.B. 30.

MacLaine & Co. v. Eccott, 131 L.T. 601.

The courts have indicated that 'it would in the first place be nearly impossible, and secondly wholly unwise, to attempt to give an exhaustive definition of what is a trade exercised in this country.' The primary factor is whether or not the contracts for the sale of goods or performance of services are made in the United Kingdom. Whether or not in a particular case trade is exercised within the United Kingdom is a matter for determination by the appropriate body of Income Tax Commissioners and not by the Board of Inland Revenue.

"(9) *Transactions through General Commission Agents and Brokers and Persons not carrying on the Regular Agency of the Non-Resident.*—The provisions in regard to sales through general commission agents and brokers, etc., are contained in Rule 10 of the General Rules of the Income Tax Act, 1918, which has recently been modified by Section 17 of the Finance Act, 1925. Rule 10 provides that:—

Nothing in these rules shall render a non-resident person chargeable in the name of a broker or general commission agent or in the name of an agent not being an authorized person carrying on the regular agency of the non-resident person or a person chargeable as if he were an agent in pursuance of these rules, in respect of profits or gains arising from sales or transactions carried on through such a broker or agent.

"Section 17 of the Finance Act, 1925, reads as follows:—

(1) Where sales or transactions are carried out on behalf of a non-resident person through a broker in the ordinary course of his business as such, and the broker satisfies the conditions required to be satisfied for the purposes of this section, then, notwithstanding that the broker is a person who acts regularly for the non-resident person as such broker, the non-resident person shall not be chargeable to income tax in the name of that broker in respect of profits or gains arising from those sales or transactions.

(2) The conditions required to be satisfied for the purposes of this section are that the broker must be a person carrying on bona fide the business of a broker in Great Britain or Northern Ireland, and that he must receive in respect of the business of the non-resident person which is transacted through him remuneration at a rate not less than that customary in the class of business in question.

(3) In this section the expression 'broker' includes a general commission agent.

(4) Rule 10 of the General Rules shall have effect subject to the provisions of this section.

"Rule 10, as modified by Section 17, is mainly designed to exempt non-residents from liability to assessment in the name of brokers and general commission agents in respect of transactions carried out in the United Kingdom for non-residents, in so far as the transactions are carried out by the broker or general commission agent in the ordinary course of his business as such for a rate of remuneration not less than that customary in the class of business in question. The questions whether in a particular case an agent is a general commission agent or broker, whether an agent is an authorized person carrying on the regular agency of the non-resident, or whether the transactions fall within the scope of these provisions, are all matters for the determination of the appropriate body of Income Tax Commissioners and not of the Board of Inland Revenue.

"(10) *Non-residents: Control over Residents.*—Rule 7 of the General Rules, which gives further powers of assessment in certain special circumstances, does not apply to a British, Indian, Dominion or Colonial firm or company. Rule 7 is as follows:—

Where a non-resident person, not being a British subject or a British, Indian, Dominion, or Colonial firm or company, or branch thereof, carries on business with a resident person, and it appears to the commissioners by whom the assessment is made that, owing to the close connection between the resident person and the non-resident person, and to the substantial control exercised by the non-resident person over the resident person, the course of business between those persons can be so arranged, and it is so arranged, that the business done by the resident person in pursuance of his connection with the non-resident person produces to the resident person either no profits or less than the ordinary profits which might be expected to arise from that business, the non-resident person shall be assessable and chargeable to tax in the name of the resident person as if the resident person were an agent of the non-resident person.

"(11) *Appeals.*—If a non-resident is dissatisfied with any assessment made upon him, he can appeal either to the General or to the Special Commissioners. The decision of those Commissioners on a question of fact is final, but either party to the appeal, the non-resident or the Revenue, can appeal to the courts against the Commissioners' decision on a point of law. Further, the non-resident person, if dissatisfied with the percentage determined under Rule 9, may require the Commissioners to refer the question to a referee or board of referees to be appointed for the purpose by the Treasury.

"(12) *Digest of High Court Cases.*—A digest of the income tax cases bearing on the liability of non-residents appears on pages 532 to 544 of Harrison's Index to Tax Cases (3rd Edition). The following cases are not yet included in the Index:—

Maclaine & Co. v Eecott,
Wilcock v. Pinto & Co.,
Belfour v. Mace,

but a report of the judgments in these cases is given in the leaflets on file at the Department."

REPRESENTATION OF CANADIAN EXPORTERS IN SCOTLAND AND NORTHERN IRELAND

TRADE COMMISSIONER G. B. JOHNSON

Glasgow, December 10, 1925.—During the past few years reports from this office have been published in the *Commercial Intelligence Journal* concerning Canadian representation in Scotland and Northern Ireland, and recent events show that it might be advantageous to repeat certain features of the information and advice tendered therein, with appropriate additions.

Considerable numbers of our exporters—and the term “exporters” is used to designate all firms engaged in despatching commodities to Great Britain, whether manufacturers or other producers, or merchants—appear to feel that when a representative in London has been secured, whether a commission firm or a merchant firm, then all has been done that can be done to secure business in this country. On the map the British Isles appear to be a pretty small country, but of course its power of absorption of Canadian products is determined solely by its population. Proper representation should therefore be determined, not by the area of the country, any part of which can be reached from London in twenty-four hours or less, but by the large centres of population, which cannot be reached and covered from London without a complete organization for that purpose.

In the Scottish market conditions are different from those obtaining in England. The Scottish buyer is a clannish individual and is much more likely to listen to a Glasgow or Leith agent of a Canadian firm, who is probably well known in the trade, than to an unknown occasional traveller from London. But it is safe to say that many of the London houses are not only not represented in Scotland, but do not send their men to this part of the country except at rare intervals.

While each commodity and every case must be judged on its own merits, and the wisdom of appointing a London agent only studied in the light of full knowledge, it can be laid down that the commodities for which there is a ready market require more representation than a London firm, however extensive its organization may be, can provide.

As an instance of this, a produce agent in Belfast—a man who knows everyone in the trade in that city, and calls practically every day on the wholesale trade—in conversation with the writer mentioned a particular brand of Canadian cheese, the agent for which is a London firm, which is supposed to cover the British Isles. Not a pound of this cheese is sold in Belfast, although Northern Ireland is one of the largest consumers of Canadian cheese. If a local agent were appointed, such a type as the man referred to, there can be no doubt that this excellent cheese would have a ready sale in that part of the country.

The representation of Canadian flour, at least of the larger mills, appears to be well secured throughout the country by high-class firms, but it is just a question whether even in this case importers with exclusive rights are not given too wide a territory to cover satisfactorily. For instance, a certain Glasgow firm has the distribution of a Canadian mill's brands in Scotland, and uses a firm in Leith as a sub-agent. The fact that a sub-agent is operating is evidently a confession that the Glasgow house cannot cover the Leith and Edinburgh area satisfactorily. Commissions or profits are therefore split and the sub-agent is not therefore likely to take the same trouble to secure business that he would go after if the financial inducements were higher. In this particular case no one would care to suggest any alteration in the arrangements, as the Canadian and Glasgow houses are old friends, and the Canadian mill would very likely prefer to lose some possible business in the East of Scotland rather than appear to be dissatisfied with the work of their representatives.

On the other hand, a London agent, or one in a particular centre where the dominating industries are consumers, is sometimes indicated as alone desirable. So far as Scotland is concerned such a line would be motor car accessories. None of the dealers in Scotland are large enough to do any importing of overseas accessories on their own account, and they buy their requirements from London agents of overseas firms, or more likely from English manufacturers direct, or from agents of the latter. At the other end of the scale, as another example, is the case of canned lobster, the consumption of which in Scotland is very small, and for which a representative in Scotland would be unable to do much business.

These examples are given to emphasize the wisdom of Canadian firms not only choosing their representatives in this country wisely and well, but of first ascertaining that the representation is widely and intensively enough distributed.

EXTERNAL TRADE OF SOUTH AFRICA DURING 1924

TRADE COMMISSIONER G. R. STEVENS

VII

Imports of Machinery and Tools—Continued

[Imports and exports of South Africa were discussed in general terms in the first instalment of this report, which was published in No. 1130; Foodstuffs Imports in Nos. 1131 and 1132; Textiles and Clothing in Nos. 1133 and 1134; and the first part of Machinery and Tools in the last issue. Further instalments of this report, which deals with the import trade of South Africa in the light of the recent revision of the tariff, will be published in later issues.]

AGRICULTURAL IMPLEMENTS AND MACHINERY

A considerable number of items differentiated under this generic head will be dealt with separately. As a class the imports of agricultural implements increased greatly during 1924, perhaps to an even greater extent than did the requirements of the market. The excellent prices for wool and mealies were reflected in the imports, which may be taken as denoting an end to a post-war agricultural depression in South Africa. Moreover, a demand for newer and more progressive types of equipment may be noted. Although labour conditions are unfavourable to the general use of specialized or complicated machinery, yet the more progressive farmers are showing an interest in higher quality lines that produce results.

CREAM SEPARATORS

	1924	
	No.	£
Germany	1,330	6,281
Sweden	2,741	15,224
Belgium	280	2,785
All suppliers	4,642	26,516

As the import statistics show, the demand for cream separators is not extensive, nor is the quality of equipment high. In the year under review, the United States shipped 109 separators, Great Britain 78, and Canada 13, the remainder all being of the cheap Continental types of an average value of under \$30 each.

As the imports of dairying products show, the South African dairying industry is by no means on a par with similar industries in other parts of the world, and it is unlikely that any particular improvement in the demand for dairy equipment need be anticipated in the near future.

BINDERS, REAPERS, MOWERS

	1924	1923
Canada	£12,949	£ 3,038
Germany	12,696	2,872
United States	64,207	20,782
All suppliers	92,159	28,459

The imports during 1924 of binders, reapers and mowers tripled, and were almost twice the value of any single year since 1920. This increase is probably permanent, and it is hoped that Canada's share of the business will keep pace with the enlarged market. It seems probable that the market will be monopolized by the United States and Canada, as it is understood that the German lines have not been altogether satisfactory.

PLOUGHS, HARROWS AND PARTS

	1924	1923
Great Britain	£104,997	£ 62,249
Canada	101,526	43,070
Germany	74,235	58,602
United States	262,869	147,025
All suppliers	550,997	312,961

All the principal suppliers increased their sales of ploughs in the year under review. It is probable, however, that as a whole South Africa overbought in this item, as it does not seem probable that her requirements in ploughs amount to half a million sterling in one year.

Of the increases those of Britain and Canada are the most interesting. Great Britain has comparatively few houses supplying ploughs and harrows, but their activity during the past year has been very marked. British houses who obtained their foothold in South Africa when the devastated Boer farms were restocking, cater largely to the native trade, making a cheap rough plough of a type which is not in demand in Canada.

Last year heavy German invasion of this particular trade was anticipated. The counter efforts of British suppliers would seem to have been fairly successful, as their business increased in a considerably better ratio than that of their German competitors.

Of all suppliers, Canada's percentage of gain was the greatest, and it seems probable that she will continue to improve her position during 1925. This market was visited during the year by plough specialists from some of the large Canadian plants, and active measures have been undertaken to secure a still larger share of the South African market in these items.

PICKS AND HOES

	1924		1923	
	Quantity	£	Quantity	£
Great Britain	377,664	17,437	182,130	9,346
Germany	26,437	1,431	53,878	2,827
All suppliers	416,003	19,099	236,332	12,199

This item only covers kaffir picks and hoes, the peculiar tools of the native cultivators. As in other parts of the world, a few Birmingham houses seem to monopolize this trade, having introduced their brands a century ago. To-day in the mines with the majority of purchasers their brands stand for the article itself and competition is extremely difficult except through rank imitation.

SPRAYERS AND SPRINKLERS

Imports, 1924, £13,623: Great Britain, £6,081; United States, £7,451.

The citrus and deciduous industry uses very large quantities of sprayers and insecticides. As the improvement in general quality continues, a steadily increasing market for these goods will develop. Supplies consist of all types

from the small hand sprayer which one dips into a bucket, to motor-driven sprayers with multiple jets. This latter type is only beginning to be introduced. The English sprayers are quite different from the American, being small, brass cylinder horizontal hand pumps, cheap but excellent. American types are more developed and specialized, and are usually mounted (the British sprayers are to a large extent sold without mountings). In small hand equipment it is doubtful if any particular future awaits Canadian exporters, as these pumps are being manufactured locally with a fair measure of success. Canadian manufacturers of other types of equipment, however, should look into the South African market with a view to making suitable sales arrangements.

FARM TRACTORS

	1924		1923	
	Quantity	Value	Quantity	Value
Great Britain	6	£ 2,689	..	£ 388
United States	156	26,910	..	1,142
All suppliers	167	31,602	..	1,530

The notable increase in 1924 was long overdue, owing to heavy stocks from post-war boom. This increase should be permanent, but it would be a mistake to regard South Africa as a great potential market. The cost and scarcity of fuel, the cheapness of man and beast power, and the unreliable nature of the labour supply, suggests the slow expansion of automotive cultivation. At present one American company is making an extensive study of the market with a view to increasing their sales, and their figures will be of interest.

THRESHING MACHINES

	1924	
	No.	£
Great Britain	34	28,073
All suppliers	35	28,428

It is odd to see Great Britain completely monopolizing the market in this piece of agricultural machinery. This, however, is due to the fact that chaff and straw are valued as feedstuffs and that South Africa demands a threshing machine with a chaff bruising drum. These have not been made in either Canada or the United States in the past, although it is understood that one company is undertaking their manufacture in the United States in the near future. It is unfortunate, from a Canadian point of view, that such threshers are not made in Canada, as barring this one feature, American types of threshers and harvesters are well regarded.

AGRICULTURAL EQUIPMENT—OTHER

	1924	1923
United States	£129,678	£112,418
Great Britain	75,545	114,065
Canada	10,389	15,281
Germany	22,945	21,982
All suppliers	240,955	297,741

The reduction under this head was due largely to the differentiation of items which were previously unclassified. Among general purpose equipment the principal inclusions are seeders, drills, rakes and cultivators. The trade in these items is growing slowly as improved methods of cultivation spread. American types of equipment are preferred in almost every instance. It will be some time, however, before any large business may be anticipated.

The matter of manure spreaders illustrates the situation. It has never been possible to introduce such spreaders, for the farmers are quite willing to waste their manure by hand spreading, and to purchase fertilizers to supplement their own supplies. Sooner or later this condition will, of course, be remedied, but for the present it is only the more enlightened and progressive sections of the community which see any advantage in offering even the most essential mechanical equipment.

Silo and silo equipment is in course of introduction, but progress is equally slow in this item. Stave silo is not liked, probably due to deterioration under South African climatic conditions. The future lies between concrete silos and holes in the ground with a covering on them. On the other hand, there is a small but steady sale of ensilage cutters, particularly in the Eastern Province of the Cape and Natal.

Stable equipment of American type is saleable, particularly in the Transvaal, where the presence of large urban communities has created a quite up-to-date dairy industry. There is also a slowly spreading sale of stable equipment in Natal and the better class communities of the East Coast. There is, of course, a sale of various types of corn-handling equipment, but probably the item under this head is the corn sheller. There are a number of varieties in use, including power equipment, and there is a limited demand for a very cheap type of hand machine. One popular line comes from the United States a two-hole type suitable either for power or hand.

Fruit-handling equipment is perhaps the most promising item under this general head. The demand for the British and European markets is improving the fruit industry rapidly, so that it no longer depends upon its seasonal advantages, is rapidly acquiring the ability to compete against all comers, and is developing in efficiency of organization and co-operative effort. Any new type of fruit-handling equipment will be considered by South African growers. At present the imports are either of American or Australian origin, but any types of equipment peculiar to Canada would receive consideration.

Irrigation equipment is not a particular prospect at the moment, although the irrigating of South African farm lands upon a wide scale is inevitable. There is no market as yet for types of overhead irrigation such as are in vogue in Canada.

FARM ENGINES

This item is not differentiated from other oil engines in the Customs returns, but it is a considerable trade in itself. There is a steadily increasing demand for small farm engines in South Africa, and it is regretted that Canada has not shared this trade to any extent in the past. The market has been largely held by Great Britain, with the United States as her only competitor. In reality, however, the farm engines supplied by these two countries do not compete as they are entirely different types of equipment. There are no British engines offered similar to the $1\frac{3}{4}$ horse-power and 2 horse-power American kerosene engines; the British engines are all of higher horse-power and of much higher price. Moreover, the trade very nearly divides between kerosene and heavy oil with the United States supplying a proportion of the paraffin engines and Great Britain furnishing all the heavy oil engines. Opinions differ as to which of the two types of equipment has a future in South Africa. It is pointed out that heavy oil is relatively a cheaper fuel, and that certainly the heavier oil engine is a more efficient machine than the paraffin engine. On the other hand, the lower cost and the general utility of the paraffin engine makes it popular, and with better distribution and lower prices for oil it may succeed to a larger share of the business than it enjoys as present.

One of the principal uses of farm engines in South Africa is for pumping, and for this task heavy oil engines are esteemed. A large number of them have no hoppers but are cooled from cisterns by pipes. When a hopper is used, it is customary for this purpose to build a tank on the hopper or else attached to the hopper by inlet and outlet pipes. This enables the engine to work over very considerable periods, with little or no attention.

A number of small British kerosene engines have been offered during the past year in competition with the well-known American lines. These engines

show the same durability and sturdy character that the crude oil engines manifest. On the other hand, their prices are high in comparison with corresponding American types.

MACHINERY—GENERAL

In all lines of mechanical equipment, Great Britain is markedly predominant in South Africa. She has retained her preferences upon the majority of types of machinery, but this was hardly necessary as British engineering practice is so firmly established that other equipment is subject to a handicap from the first. Moreover, a large majority of the South African industrial ventures are capitalized in London and the purchase of British machinery naturally follows. In addition, the sale of British machinery in South Africa is admirably organized, groups of companies having combined to appoint technical and sales representatives. In many cases subsidiary companies have been organized to handle numerous lines of machinery, in some cases carrying stocks and in almost all cases with an expert export organization for the drafting of plans and specifications in connection with any equipment which may be required. With the exception of one or two large German combines, and one or two American suppliers of mining machinery, there are no foreign organizations comparable with the score of competitive British enterprises. The statistics of imports of machinery are particularly interesting as exemplifying the industrial trend of South Africa. For the year under review no notable increases were chronicled, except under the heading of electrical equipment, and much of this was in the nature of municipal supplies. Nevertheless, there is no question that in the near future the protective policy of the Government will have its effect, and that very considerable increases in supply of industrial machinery and equipment may be anticipated.

It is doubtful if there is any method by which Canadian firms can share in this anticipated business to any particular extent. Even in goods where American types of equipment are preferred, difficulties of selling, of financing, and of replacement are very great. Indeed it seems more probable that Canadian firms in a position to supply equipment to South African industries would be in a better position to do so through their London offices than through South African agents, unless it were possible to obtain as a South African connection a thoroughly qualified technical representative.

During the year under review, a number of industries imported moderate quantities of new plant. Boilers to the value of approximately £80,000 were brought in, of which all, except about £1,000, is credited to Great Britain.

Boiler tubes amounted to another £20,000, of which Great Britain obtained 60 per cent, Germany and Czecho-Slovakia sharing the remainder.

Some £40,000 worth of boot and shoe machinery was imported, 75 per cent being British. Of this amount, at least half was supplied by the British subsidiary of an American combine.

Confectionery equipment amounted to £30,000, of which slightly over half was British, the other half being supplied by Germany and the United States. (It is possible that Canada might share in this trade).

DUTY ON AUTOMOBILES ENTERING SIERRA LEONE

With reference to the paragraph on automobile imports into Sierra Leone, page 487 of *Commercial Intelligence Journal* No. 1136, November 7, 1925, it appears that the rate of duty is not now 20 per cent ad valorem, but that automobiles are exempt from duty. The following item appears in the duty free list: "Motor vehicles and accessories, tools and implements (but not spare parts) imported with motor vehicles and included in the purchase price of such motor vehicles, and required for use in connection therewith."

SUMMARY OF THE TRADE OF CANADA: MONTH, EIGHT MONTHS, AND TWELVE MONTHS ENDING NOVEMBER, 1925

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of November, 1925			Eight Months ending November, 1925			Twelve Months ending November, 1925		
	Total Imports	From United Kingdom		Total Imports	From United Kingdom		Total Imports	From United Kingdom	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Imports for Consumption</i>									
Agricultural and Vegetable Products.....	17,733,395	3,659,931	8,171,037	132,885,126	22,140,121	61,905,822	188,635,078	32,323,349	87,224,124
Animals and Animal Products.....	3,924,056	405,331	2,635,828	29,412,741	3,783,094	19,997,947	45,438,916	5,780,763	31,387,833
Fibres, Textiles and Textile Products.....	14,476,397	5,133,333	7,099,370	116,753,446	45,602,531	48,606,776	178,132,325	71,533,132	74,054,350
Wood, Wood Products and Paper.....	3,576,375	325,656	3,007,022	26,591,922	2,550,720	22,453,740	39,038,345	3,659,012	33,271,434
Iron and its Products.....	12,770,135	1,529,077	10,551,554	119,583,789	13,245,431	102,766,818	163,237,562	18,143,181	140,766,466
Non-Ferrous Metals and their Products.....	4,839,201	492,656	4,246,011	31,675,804	3,725,186	25,581,578	46,310,711	4,991,111	37,776,957
Non-Metallic Minerals and their Products.....	10,600,237	1,032,685	8,424,191	96,809,036	10,281,845	78,112,427	136,458,361	12,637,261	112,719,427
Chemicals and Allied Products.....	2,811,650	509,265	1,639,748	18,940,400	3,026,995	12,095,631	27,249,651	4,197,004	18,015,645
Miscellaneous Commodities.....	4,534,353	842,665	3,039,150	36,253,311	5,360,961	25,613,469	49,544,598	7,348,449	35,230,089
Total Imports, 1925.....	75,285,662	13,911,656	48,633,911	608,905,575	109,755,834	397,134,108	874,285,547	160,583,292	570,446,325
1924.....	66,229,498	12,839,697	41,273,501	531,542,565	100,246,568	336,467,792	812,854,157	148,597,745	528,463,662
1923.....	72,034,301	13,579,178	46,829,348	612,055,275	105,265,513	409,760,577	907,579,332	154,847,128	615,188,337
<i>Exports (Canadian Produce)</i>									
Agricultural and Vegetable Products.....	73,156,320	41,203,916	9,800,200	370,073,321	219,931,102	43,611,355	518,447,856	305,621,155	58,463,828
Animals and Animal Products.....	17,468,813	9,004,694	5,661,068	135,644,332	75,527,004	42,232,375	191,570,070	95,807,158	64,526,923
Fibres, Textiles and Textile Products.....	23,973,912	7,757	648,266	6,600,256	979,694	3,577,009	93,787,860	18,640,366	3,276,293
Wood, Wood Products and Paper.....	29,991,437	1,563,819	20,267,775	186,330,375	15,165,074	157,791,741	272,137,760	18,402,863	234,676,764
Iron and its Products.....	8,337,968	1,014,738	740,775	45,487,705	5,594,921	4,457,117	107,133,848	17,462,764	6,621,464
Non-Ferrous Metals and their Products.....	9,930,151	1,877,643	6,350,822	65,796,461	10,340,121	41,901,745	103,353,019	17,375,868	63,783,727
Non-Metallic Minerals and their Products.....	2,470,963	155,972	1,716,036	16,774,694	838,936	11,564,745	27,633,019	1,375,988	16,288,780
Chemicals and Allied Products.....	1,730,217	317,965	1,033,037	11,254,576	2,549,253	5,583,306	17,370,937	3,745,226	8,405,702
Miscellaneous Commodities.....	1,619,954	308,139	1,038,943	11,270,431	2,027,882	7,400,740	15,999,511	3,776,422	9,791,014
Totals, 1925.....	140,270,235	55,524,454	47,365,265	855,142,687	332,973,968	318,050,439	1,219,861,045	458,031,749	469,821,922
1924.....	118,964,556	55,903,459	34,903,620	704,348,462	270,785,632	265,062,063	1,057,508,886	387,372,332	408,584,736
1923.....	138,057,873	61,698,284	44,745,676	692,191,142	243,471,203	287,785,469	1,001,937,269	356,504,134	419,309,196
<i>Exports (Foreign Produce)</i>									
Totals, 1925.....	1,079,270	186,423	806,007	8,505,343	669,731	6,983,693	12,300,534	1,043,623	10,103,250
1924.....	911,653	88,650	739,704	8,498,798	950,733	6,647,092	12,556,423	1,282,608	10,094,746
1923.....	917,250	191,843	635,616	9,334,617	771,135	7,575,321	13,714,148	1,093,034	10,886,610
<i>Excess of Imports (i) or All Exports (e)</i>									
1925.....	(e) 86,072,843	(e) 41,709,218 (i)	462,579	(e) 254,742,455	(e) 293,857,815 (i)	(i) 72,050,986	(e) 357,866,375	(e) 298,482,110 (i)	90,519,123
1924.....	(e) 53,046,681	(e) 43,132,388 (i)	5,510,327	(e) 181,305,186	(e) 171,489,807 (i)	(e) 64,157,259	(e) 237,511,132	(e) 240,087,095 (i)	109,874,881
1923.....	(e) 66,920,819	(e) 48,310,949 (i)	1,460,050	(e) 89,490,484	(e) 138,976,824 (i)	(i) 113,896,587	(e) 108,072,085	(e) 20,750,090 (i)	184,392,631

FRENCH INDO-CHINA MARKET

TRADE COMMISSIONER A. B. MUDDIMAN

French Indo-China is a sheltered market for French products. A high tariff wall has been built round it with a view to checking competitive goods. Those foreign goods and those goods only are desired which France cannot produce and must herself import. Not many kinds of Western goods, which Canada can successfully offer in such a distant market, come under this head. The larger field of course is for those products in which Canada has no interest, namely, Oriental goods from China and Japan required in large quantities by the native populations, who are all of a distinctly Chinese type.

Before the war it is almost safe to say in Saigon, for example, German firms and German products were supreme. Since the war a very severe duty is levied on German products—so severe in fact that it is possible to sell in Saigon some Canadian beer which if the German product was not so highly dutied would probably be as difficult to market as it is to-day to offer Canadian beer against German in Singapore. It would be interesting if the number of German properties on the rue Catinat in Saigon, the principal street, before the war was realized and contrasted with their absence to-day.

As it is, in all things in this French colony of the extreme Orient, French products come first. The motor bicycles are such makes as the Gnome, Rhone, Peugeot, etc. Push bikes are all French, such as the "Hirondelle," "la Française Diamant." With few exceptions, in canned goods you will only find such packers as Amieux Frères, Olida, Delpit. The bulk of the cigarettes are all French: "Job," "Muryland," etc.: something that is without parallel in the rest of the East. Example after example might be taken to the extent of a wearisome list. Enough will have been said on this point if manufacturers (who ship elsewhere to the extreme Orient and are contemplating this market) have appreciated the immense favour that is bestowed by the tariff on products from the mother country. It is beyond the wildest dreams of advocates of Imperial preference in the British Empire.

METHOD OF SHIPPING

American goods would seem to come, in some cases, via France either from their French branch factories or agents and stockists in France. Thus such goods coming in in French bottoms from France are favoured with the same treatment as French products. When interviewing importers in Saigon, the writer soon discovered that firms here are more anxious to hear from Canadian firms with connections in France than from others. For example, the very little canned lobster and salmon the writer saw here was Canadian but had arrived from France. The reason for this is obvious. The Colonial firms here are thus relieved of all the financial burden of duty. They know at once what they are going to pay. Whereas if they had to deal with the complicated maximum and minimum tariff regulations in force with a staff of local Chinese clerks hardly competent to deal with strange countries, the firms often find themselves in a quandary. For example, the writer interested two firms in Canadian patent leather, but both desired to be put in touch with any agents in France the Canadian manufacturers may have rather than with the factories in Canada. There is a maximum and minimum tariff for the patent leather of the mineral process and another and lower tariff, both maximum and minimum for the product of the so-called vegetable process. Such a system of duties, analyzing the component parts of products and assessing them on such, makes it very difficult for Colonial importers in a remote colony and with little knowledge of other lands than their motherland. It destroys any desire to make a venture on introducing products of distant and, to them, practically unknown lands.

Thus it must be appreciated that the best way to approach this market is through French indent houses or agents in France, who are also stockists shipping the Canadian products from France to Indo-China by French lines. A complete list of the leading importers has been filed with the Department of Trade and Commerce at Ottawa and also in the office of the Trade Commissioner in Paris. Outside of the French firms there are one or two small Chinese merchants who have entered the import field of recent date and whose methods are business-like, but whose capital is restricted. With them, correspondence should be carried on in English. With all other firms all letters, communications, catalogues, lists, etc., should be in French.

TARIFF

In regard to the tariff, the writer would repeat here, for the convenience of exporters, his remarks on this subject in *Commercial Intelligence Journal* No. 1068 (July 19, 1924).

The customs tariff on imports into French Indo-China is, in the main, the same as in France. Goods from France and her other colonies are not dutiable. Certain exceptions are made in the case of foreign goods considered unobtainable from France or her colonies, such as goods of Asiatic origin and paddy milling machinery. Opium (raw and prepared), Indian hemp, sugar cane, foreign alcohol, and silver coins cannot be imported. Import duties are quoted in francs in the tariff, but are actually paid in the currency of the colony (piastres). The French franc is converted for duty purposes in local currency, at an official rate, fixed periodically by the Government of the colony. Canadian exporters should be most careful of this factor. In order to calculate the gold dollar equivalent of any particular duty, the French francs must first be converted into local piastres or dollars (at the prevailing official rate), and then the resultant piastres be converted into gold dollars at the current rate of exchange between the local and American currency. In view of the fact that England has two banks in Indo-China, and her trade is more important than that of the United States, Canadian exporters are advised to quote in sterling. The rate of exchange between sterling and the piastre is always obtainable.

FLOUR AND OTHER OPENINGS

The demand is primarily for French products. A well-known brand of Canadian beer is selling in all the leading cafés. Recent sales have been made in rubber-soled canvas shoes and patent leather. But Canada's big line should be flour. There are five French firms and two small Chinese importers interested in this article in Saigon and a list of these has been filed with the Department at Ottawa for reference. A further list of all the leading importers has been compiled and filed at Ottawa. In regard to flour, which should be shipped to Hong Kong for transshipment, good shipping connections with both Haiphong, the port for Hanoi, the capital, and Saigon, the commercial centre, are maintained by small steamers leaving Hong Kong every week. Connections with Singapore are poor and practically limited to French lines. Through Hong Kong agents it would seem feasible for Canadian millers to obtain some share of this flour trade, which amounts to about 10,000 metric tons per annum. The market at present is largely held now by Australian millers. The flour is desired more for bread making than for noodles and macaroni. When the writer was in Saigon at the end of September, Australian prices were shown him in a cable by one Chinese importer as c.i.f. Hong Kong £17 2s. 6d. and c.i.f. Singapore £18 2s. 6d. a ton. Samples, particulars of brands, codes, etc., are desired by importers. American flour is well in evidence.

Inquiries were received for patent leather, sole leather, flash lights, felt hats, canned chum salmon, bleached sulphite pulp, cylinder wire cloth, cone wire

cloth (for rice mills), rubber-soled white canvas slippers, misses' rubber-soled pumps (round toes), hose for Chinese women, singlets for men. Samples of the singlets, rubber-soled white canvas slippers, misses' pumps, and hose for Chinese women have been placed on file in the Department. Artificial silk goods are not wanted. There is a demand for stitched cotton belting, red finish. In cylinder wire cloth Nos. 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22 in rolls of 100 feet, 24 inches wide sells wholesale at, including duty, about 57 Canadian cents per metre. In cone wire cloth, the c.i.f. price is about 18 Canadian cents per square foot. The widths are 24 inches and 30 inches, and the rolls are 100 feet. The wire is 18-B.S.W. gauge and the demand is for 9 by 9 round and round wires, 10 by 10 round and square wires, and 12 by 12 round and square wires. The price for singlets similar to the samples on file is about \$5 per dozen c.i.f. Saigon. The price for felt hats for men is around \$24 per dozen c.i.f. Saigon.

Philips' electric lamps are on sale. They are bayonet connections and for 110-120 volts both A.C. and D.C. of pear and round shape and from 150 candle-power down. Both plain and frosted bulbs are used.

Canadian box shooks have been sold in this market.

REMARKS OF IMPORTER

The following remarks were made by an importer anxious to obtain flour and other goods, if possible, from Canada:—

I should like to have, in the case of other goods, shipments made to Saigon from France, as goods may then enter here free of duty. If this is impossible, shipment should be made by direct steamer or by French steamer with transshipment at a French port. Goods shipped by either one of these two methods only can come under the minimum tariff. This is very important. Consular certificate of origin is also required. To facilitate declaration to the customs here, foreigners should give fullest particulars regarding net and gross weights, composition and size of goods.

In regard to flour he remarked:—

A large quantity of flour is being imported into this market from America every year and I think that profitable business can be done direct with Canada, if arrangements are made with manufacturers there for shipments consigned direct to Saigon. Ask exporters to send their various qualities together with full information.

TRADE DIVISIONS

The territory of French Indo-China is really a federation of five countries with three leading Indo-Chinese races, governed by the French. The total area is about 720,000 square kilometres and the population is estimated at around 20,000,000. The interior is not developed, and the great majority of the natives have little use for Western goods outside of piece goods and cigarettes.

From a commercial standpoint it can be divided into two trade divisions, though practically the same French firms predominate in both. There is first the Saigon area, one of the greatest rice regions in the world, but with no industrial towns in its hinterland. Secondly, there is Haiphong, the only port for Hanoi, the capital, where the native industries of Tonkin are centered. This latter area is nearest Hong Kong and taps the Red River basin, while even part of Yunnan, in China, is largely dependent upon it for outlet. Saigon is much bigger than Haiphong, but Haiphong seems to have the larger consuming hinterland, including the city of Hanoi. Southern French and Corsicans seem to be strong in Saigon. There are some fair railway communications, but large extensions are necessary and will prove costly to link up Saigon with Haiphong. Motoring is increasing and roads in this country, unlike those of Siam, are well developed. The tariff forms a strong barrier against the importation of American automobiles and parts. The French hold the import houses with few exceptions; but the retailers are Chinese from Swatow, Canton, etc., The currency unit is the piastre of 100 cents.

THE MARKET FOR INDUSTRIAL CHEMICALS IN MEXICO

TRADE COMMISSIONER C. NOEL WILDE

PART I

Mexico City, December 6, 1925.—The demand for industrial chemicals in Mexico is dependent first, upon the development of her mines (principally of gold, silver, copper and lead); and secondly upon the increased local manufacture of such products as require the use of chemicals in their preparation, either as a raw material or a part of the finished article. Thus, with the continuance of settled conditions in the country, and the increased investment of capital in manufacturing enterprises, the imports of industrial chemicals should rise rapidly.

Of recent years, and particularly since the war period, Canada has become an important producer of many kinds of chemicals; in fact, several of these are already known in Mexico, and where this is the case, they have obtained an excellent reputation. The business, however, appears capable of expansion, and this report is intended to indicate openings which up to the present may have escaped the notice of exporters.

LOCAL INDUSTRY

Mexico contains large deposits of raw minerals which are capable of being manufactured into industrial chemicals, and in fact a number are found in the natural state. Large areas of salt are known to exist, and some of these are being worked; sulphur occurs in many places, mineral salts abound, and there are large possibilities in connection with the development of electric power, which is frequently an essential in the cheap production of certain chemicals on a commercial scale. Hitherto, however, with rare exceptions the possibilities of the country in this connection have not been touched; the necessary capital is not forthcoming, and only rarely is the technical knowledge of processes available; thus it appears probable that for many years to come Mexico will depend upon foreign sources for her requirements, and there need be little fear of the loss of the market, once it is secured, on account of an increase in local production.

ORIGIN AND VALUE OF IMPORTS

A summary of the "Imports of Drugs and Chemical Products" into Mexico was published in *Commercial Intelligence Journal* No. 1125 (August 22, 1925). It is unnecessary to repeat the figures already given; but it may be mentioned that the total value of the imports of industrial chemicals (as distinguished from medicinal drugs, paints, and miscellaneous items) in 1924 amounted approximately to six millions of dollars, of which Canada provided nearly 30 per cent. This favourable showing is largely due to two items, of which further details are provided below. Other important sources of supply are the United States and Germany, and England also does a large trade in certain special commodities of which she has a practical monopoly. Other countries do not appear in the statistics to any great extent.

REPRESENTATION

It is difficult to lay down any particular rule as to the best method of representation in Mexico in connection with the importation of industrial chemicals. Practically every system of sale is adopted, depending upon the nature of the product, the requirements of the customers, and what experience has shown to be the best and most economical means of handling the commodity in question.

As typical instances of the various methods adopted, it may be said that one foreign firm which specializes in chemicals used in the mining industry sells direct to consumers without the intervention of a middleman; it, however, maintains a resident agent in Mexico to look after its interests, although this agent may not know what orders are placed, and does not make a special practice of soliciting business.

In other cases agents are appointed with exclusive representation for the whole country, and these agents conduct business on a commission basis. They generally maintain local stocks for the purpose of filling minor orders, but larger quantities are supplied direct from the factory. In all such cases a wide range of samples is provided for free distribution.

Another method is for a firm to act exclusively as importers, buying in large quantities and selling to consumers at whatever prices may be obtainable. This method may be combined with a retail store, and also with a manufacturing business where certain industrial chemicals are converted into other products for which there is a local demand.

Other importers may sell exclusively through their own retail stores established for the purpose. On the whole, the most suitable method for a Canadian exporter who is entering the market on a comparatively small scale appears to be to place his interests in the hands of a reliable commission agent, who should be supplied with small stocks on consignment; no risk need be anticipated in connection with this latter point if proper inquiries are made in advance from the usual commercial rating houses as to his standing, and connections made only with a responsible firm.

Exporters are recommended to communicate with the Trade Commissioner in Mexico City before definitely appointing agents, as he is usually in a position to ascertain the best methods of representation for the particular commodity, and the extent to which any firm is in touch with possible markets.

SAMPLES

In order to introduce a new chemical product into Mexico, a number of samples should be considered absolutely necessary. These samples should in every respect conform in appearance and chemical composition (i.e., in purity) to the product itself, as buyers frequently subject them to analysis either in their own laboratories or through professional analysts and assayers, of whom there are many in Mexico City. The manner of packing samples is also of importance, as an appeal to the eye frequently determines the placing of orders when price and quality leave no choice between competing goods; furthermore, care in the preparation of samples is usually taken as an indication of equal care in the manufacture and shipping of larger quantities.

The methods adopted by certain German firms are said to be the best, and are worthy of attention by Canadian exporters. Samples of chemicals are packed first in small glass test tubes, tightly corked and sealed with wax; each of these is placed in a small case made out of a solid piece of hard wood, square in section, slightly longer than the test tube itself, and hollowed out in such a manner that the test tube can easily fit into it thus:—



Samples packed in this manner never break in transit, and well repay the small additional expense involved. Dutch methods of packing samples are also stated to be very satisfactory, many of these coming in well-made wooden

boxes from 3 to 6 inches square, with a glass face beneath the lid. British and American methods of packing samples are said to be distinctly inferior, and examples have been seen in which valuable chemicals were packed in nothing more than an ordinary sheet of brown paper; such practices result in a prejudice against the manufacturer which it is difficult to overcome.

If not of a dangerous nature, samples may be sent by fifth-class mail, unregistered, and all packages should be marked on the outside "No Commercial Value"; such packages will usually be admitted without the payment of customs duties.

TERMS OF PAYMENT

The usual terms of payment are cash against documents in Mexico, and no other conditions will usually be asked for. Where connections have already been established with responsible houses, however (i.e., in the case of repeat orders), more favourable terms may be granted; this always acts as an additional impetus to sales, especially in view of the high rates of interest in Mexico and the longer time of delivery required from Canada as compared with competing countries.

Long terms should not, as a rule, be granted without reference to the agent, who is usually in a position to form an accurate judgment as to the standing of a buyer, and can, if necessary, furnish a financial report from a bank or commercial rating agency.

SUNDRY LINES FOR SIAM

TRADE COMMISSIONER A. B. MUDDIMAN

[Subjoined is the fifth of a series of reports on the Siamese Market by Mr. Muddiman. The first, introductory to the series, was published in No. 1140; the second, on Food Products, in No. 1141; the third, on Metal Manufactures and Machines, in No. 1142; and the fourth, on Automotives, in the last issue.]

In looking through the list of sundry lines for the Siamese market, one is confronted with the ability of Germany to regain many of those lines which, prior to the war, were indisputably hers. Last year, she doubled her imports of china and earthenware over the previous period, at the expense of Japan. In spite of her renovated currency and consequent rising export prices, she has come back strong in clocks, cutlery, etc., for the bazaar trade, and her chemical products sales are increasing.

In a certain number of lines Canada should be able to obtain some business, but it must be remembered that, particularly in sundry lines, c.i.f. prices and samples are necessary. Take for example the small Siamese brush import trade in which for years the United Kingdom has held a fair share of the higher-quality paint brush imports. How has it been obtained and maintained? Travellers on annual visits have carried samples and prices with them with hardware lines and been able to show the type of brush required and quoted a c.i.f. Bangkok price. Importers in Bangkok demand, and demand rightly, that the c.i.f. price quotation is up to the manufacturer, and if he expects business, he should have it ready for them. It is his duty to give this service as it is to pack his goods. Numerous travellers come to them with it in their note-books; and why should they worry about the manufacturer who is unable to quote them c.i.f.?

GLASS MANUFACTURES

Although not credited to her account in the statistical returns, Canada has done some business in glass bottles and will probably continue, if service and quality satisfy. Australia has lost ground here. The big trade in glass hollowware is Japanese and German. Belgium is supreme in glazing glass and unframed mirrors, the United States in both lines doing no direct business last year.

LEATHER AND MANUFACTURES THEREOF

Siam is an exporter of hides, but she also imports some leathers and dressed skins. As the United States was able to obtain some business (mostly, it is to be presumed, in patent leather), there should be no reason why Canada may not also attempt to enter the market. As reported in the writer's report on the "Market for Leather in Java" (*Commercial Intelligence Journal*, No. 1030: October 27, 1923, Australia ships cheap leathers.

Over half the imports of leather boots and shoes are English. Germany and France have, however, an increasing share of the trade, showing that Continental styles are liked. The United States is also increasing her small business, and if cheap samples of shoes and sandals in small sizes were provided, this office would place them before importers. In saddlery the United States has done some business, and probably, if full particulars and c.i.f. prices were provided, Canadian firms could gauge the small opportunity offered. In no leather lines, known to the writer, is Canada competing at present.

MACHINE BELTING

There is a considerable demand for machine belting in the rice mills. The so-called camel's hair belting seems to be favoured by importers, and the cheaper it is the more the importers prefer it. As a matter of fact, it would seem that the better-run rice mills favour, for their larger beltings, a composition. If prices are cheap, business can probably be obtained. The great difficulty in a rice mill is the tendency of belting to stretch. For belting up to 4-inches there are signs that rubber belting can be used on certain drives. Any belting that slips is not liked and belting that wears, passing through forks, is another trouble of the mill engineer. Prices c.i.f. and sample strips are necessary to obtain business. Stitched cotton is preferred, as it is said solid woven has a tendency to stretch. Red finish is preferred to black. The bulk of the trade is in the hands of the United Kingdom. The United States has obtained some business, so there is no reason why Canada should not enter the trade.

MATCHES

Cheap Chinese and Japanese matches flood the market. There would seem to be no local factory. It is a question of price, not of quality. The wood of the matches in use is poor and brittle, and the heads have a tendency to drop off. In attempting to light anything, it needs considerable skill before a satisfactory burning match is attained. A few European brands of matches are on sale, presumably for the European trade.

MEDICINES

There is a large trade done in Oriental medicines, especially from China, for the Chinese in Bangkok, as well as among the Siamese. The United States, with some patent medicines, is making headway, but business largely depends on price and the attractiveness of the container. In the latter regard, it would appear Australia cannot compete with the United States. Canada does no direct trade at all in these lines. For those who wish to canvass the trade, a list of the leading druggists in Bangkok has been filed with the Department. It must be remembered that the drug business is under the control of the medical fraternity and the organizations of most of the houses are of long standing. Without the presence of Canadian doctors, Canadian manufacturers will find it uphill work.

OIL CLOTH, FLOOR CLOTH, ETC.

In this trade England holds control, but is followed by the United States, who shipped last year 8,499 kilogrammes out of a total of 40,340. If any Canadian manufacturer is interested, sample strips and c.i.f. Bangkok prices are necessary.

PAPER TRADE

The spread of Western education during the past few years in Siam has developed a trade in printing papers. There are a number of Siamese-language papers, and though many of these are unsuccessful, they indicate an awakening of native publishing. On the other hand, local statistics are of little practical value when studying the market, being broadly grouped under two classifications: (1) unprinted paper, (2) paper manufactures. The following were the types of paper the writer found in demand.

A large European firm asked for the following: (a) glazed woodfree printing paper, weight 30 pounds, 500 sheets per ream, 20 by 25 inches; (b) glazed white printing paper flat, weight 25 pounds, 500 sheets per ream, 20 by 25 inches; (c) unglazed white newspaper flat, weight 22 pounds, 500 sheets per ream, 20 by 30 inches; (d) unglazed white newspaper flat, weight 28 pounds, 500 sheets per ream, 24 by 36 inches; (e) unglazed white newspaper flat, weight 26 pounds, 500 sheets per ream, 23 by 23 inches; (f) unglazed newsprint in reels, weight 29½ pounds, 5,000 yards per reel, width 23 inches, sheets 24 by 36 inches (the core of reel to be made of wood having 3-inch diameter).

A Siamese firm of printers stated their requirements for paper, samples of which have been filed with the Department at Ottawa, were as follows, in inches (500 sheets per ream): 27 by 20 (28 pounds); 31 by 43 (30 pounds); 31 by 43 (40 pounds); 31 by 43 (50 pounds); 31 by 43 (60 pounds).

A British Indian firm that does a large paper business stated their requirements were as follows: Paper, size 31 by 43 inches, in weights 45, 50, 55, 60, 70, 80 and 100 pounds, at a price of 6 Canadian cents a pound c.i.f. Bangkok. A sample of the 60-pound paper is on file with the Department. Another type of paper at the same c.i.f. price, a sample of which, weight 55, is on file with the Department, was required in size 31 by 43 inches and in weights 45, 50, 55, 60, 65, 70, 80, 100, 150 and 250. The same firm desired counter samples and c.i.f. prices of coloured papers as against those on file with the Department. They were also interested in tissue papers, cheap bonds, and blotting papers and desired samples and c.i.f. prices of greaseproof papers and cream-coated paper size 20 by 30 inches in weights 45 and 50 pounds. This firm place an annual contract for newsprint as follows:—

Size in inches	Weight	Annual demand
31 by 43	34 pounds	150 tons
31 by 43	39 pounds	24 tons
31 by 43	41 pounds	60 tons
34 by 45	60 pounds	12 tons
24 by 36	26 pounds	240 tons

They use 76 tons per year of reels 23 inches wide and 5,000 yards per reel with a 3-inch round centre. A local storage plant also furnished samples of greased proof paper which have been filed with the Department. These are desired both plain and printed in sizes of 9, 15 and 30 inches.

The total quantity of unprinted paper imported into Bangkok for last year was 2,552,257 kilogrammes. The chief sources of supply were Germany, England, Japan, China, and Australia. The United States shipped direct only 160 kilogrammes. Canada should ship more than that this year (1925).

PERFUMERY AND COSMETICS

Japan and Germany probably hold the leading positions in this trade. Many manufacturers in North America and the United Kingdom have followed the mistaken idea that export trade with Asia in this and similar lines is merely a question of an exportable surplus of ordinary Western goods. In reality, it is a question of the manufacture (so far as the native trade at least is concerned) of a number of special lines for Eastern tastes. In cheap cosmetics, face powders and rouge, Japan is still a big supplier, but Germany, who lost this trade during the war, is progressing. To introduce or maintain a Canadian product of this type on the market, responsible local representation is requisite, with a good distributing organization. It must also be remembered that goods here are sold on price, not quality. People buy on chops or brands. It is interesting to note that Canada is credited with 14 kilogrammes of these products, probably a certain well-known talcum powder. What is wanted is cheap talcum powder.

SOAP

There is a fair trade in toilet soap, but in considering the consuming market, the great mass of the population must be eliminated as not being able to afford so high priced a product. England is the leader in this line, though a cheap soap manufactured in Java is said to be obtaining fair business. The sale of French goods has increased remarkably owing to doubt to debased currency. Attractive packages, three tablets to a carton, is the usual pack as elsewhere in the East.

In the ordinary soap trade a British soap combine has a strong hold on the market, but it is interesting to note that the United States was able to ship 26,305 kilogrammes last year. It is all a question of price.

STATIONERY

In stationery other than paper, England controls the steel pen trade. Germany covers the pencil business, although Japan competes. Quite recently the writer forwarded to Canada prices at which Germany was shipping pencils to Java, and local manufacturers stated that they could not obtain their raw materials for the price. This does not alter the fact that in these markets the prices are as stated.

TOBACCO

In Bangkok it is difficult to obtain Burmah cigars, but Manillas are common. Neither Germany nor Holland, the two Continental sources of cheap supply, are competing well. In fact the market for this commodity is small. The United States supplied 141 kilogrammes out of 86,488 last year.

The cigarette trade, which is really large for the size of the country, is held by a British combine, and China also has a share. The United States was credited with 294,432 kilogrammes last year out of a total of 2,343,799. In manufactured tobacco Hong Kong and Singapore, as entrepots, control the trade much as they do in the cigarette distribution.

UMBRELLAS

There is a large sale of umbrellas and the Siamese, like all Easterns, delight in them, the umbrella or sunshade giving the bearer a kind of social prestige. The bulk are paper; 1,026,917 were imported, China supplying 95 per cent. The number of cotton and silk umbrellas imported last year was 316,793, China again being responsible for the larger part.

TRADE AND ECONOMIC CONDITIONS IN CHINA

TRADE COMMISSIONER L. M. COSGRAVE

Shanghai, November 27, 1925.—Trade in practically all lines of imports is being carried out at the present time under decidedly adverse conditions, due to a new outbreak of civil war between the three leading military parties. At the moment these disturbances are centred in the north, embracing Tientsin, Peking, Tsingtao and Mukden. Trading conditions in Shanghai and the Central provinces have improved slightly, but are affected in their future trading by the unsettled political atmosphere in the capital.

The various strikes which resulted from the riots in May and June have now practically spent themselves, but as transportation into the interior is controlled by the various factions, trade is practically confined to the main outports. Conditions in Hong Kong are worse than in any other part of the country due to the virtual control of Canton and the West River ports by the red element.

At the moment practically all cargo destined for the important distributing centre of Canton is being transhipped at Shanghai, and numerous firms operating in ordinary times from Canton have transferred their import and export departments to Shanghai. Foreign firms in China are at the moment adopting a waiting attitude, and are not committing themselves, from a trade standpoint, other than for hand-to-mouth requirements.

Close students of conditions in China are of the opinion that there is a definite trend towards a strong business administration, which by virtue of its financial power will have the support of all classes, except the military, who are already "losing face" and power.

With the exception of Canton and district, the boycott against British goods has now practically ceased, and in so far as Canadian products are concerned, is no longer in existence.

BAHAMAS INVOICING REGULATIONS

TRADE COMMISSIONER JAMES CORMACK

Kingston, Jamaica, December 3, 1925.—The correct form to use for the Bahamas is the Abbreviated Form of Invoice and Combined Certificate of Value and Origin as used for the other British West Indian Islands. This is the form set forth in F.T.D. Leaflet No. 41 issued by the Department of Trade and Commerce, and which may be obtained on application. Exporters should show separately on the bottom of the invoice form the amount of the following items, just under the factory or selling price of the goods: packing (including cases, etc.); freight (inland); freight (ocean); insurance; other charges.

The factory or first cost price to the purchaser should be shown as one item, separately, and then should follow the other charges as above delineated. The proper valuation for duty in the Bahamas includes all packing charges, but does *not* include inland freight, ocean freight, and insurance of goods. It will be readily seen therefore why an exporter should not (as is often done) merely set out on his invoice a c.i.f. Nassau price of the goods, or (as is sometimes done when the factory is in an inland town) a f.o.b. steamer price.

Some confusion or carelessness still exists in the matter of the Certificate of Origin of goods not *wholly* of Canadian origin. For example, it is incorrect to fill out clause 3 (a) and at the same time submit for the signature of the comptroller the form of certificate to enable the exporter to claim drawback of duty. Canadian firms sending that form (Excise B-54—100,000-9-21) for execution at the port of Nassau would facilitate matters if they will indicate thereon (a) the date of the shipment; (b) the name of the vessel the goods are shipped by; and (c) the marks of the goods so as to enable the comptroller to identify the shipment for which the certificate is required.

TIMBER FOR THE LONDON COUNTY COUNCIL

The Stores Department of the London County Council wish to receive quotations from Canadian exporters on certain types of lumber. The Council, for manual training purposes in the Council Schools, is using a carload a month of American whitewood (yellow poplar or tulip) which could be replaced by Canadian basswood f.a.s., $\frac{3}{8}$, $\frac{1}{2}$, $\frac{5}{8}$, $\frac{3}{4}$, 1 and $1\frac{1}{4}$ inches thick by 6 to 11 inches wide. Western yellow pine (western soft pine) from the interior of British Columbia, and Western red cedar would also be suitable in a minor degree for the Council's needs. In addition a certain amount of spruce of merchantable quality, is required for billboards, hoardings, etc.

If the Council, as is their intention, is to purchase supplies from Canada, it must be guaranteed that the timber is all of Canadian growth. Interested Canadian shippers should, either direct or through their London representatives, supply the Chief Officer of Stores, London County Council, Council Hall, London, S.E. 1, with marks, in addition to prices c.i.f. London.

MODIFICATION IN SOUTH AFRICAN CUSTOMS FORMS

According to Government Notice No. 1269 of the Union of South Africa, certain changes have been made in the wording of the certificate of value and of the certificate of origin which had been prescribed by a former notice and published by the Canadian Department of Trade and Commerce in F.T.D. Leaflet No. 32, already in possession of many exporters in Canada. The following changes have been made in paragraphs and footnotes which will be found on page 4 of F.T.D. Leaflet No. 32:—

(a) In paragraph 3 substitute the words "in the usual wholesale quantities" for the words "in equal quantities";

(b) In paragraph 6 (a) substitute the word "country" for the words "part of the British Dominions";

(c) Make footnotes (7) and (8) read "Insert name of country."

The above alterations, it will be noted, change only a few words of the text formerly approved, and it is understood that Canadian exporters may make the alteration required either with a pen or typewriter on the forms which they have been using in the past.

RÉSUMÉ OF ECONOMIC CONDITIONS IN JAPAN

TRADE COMMISSIONER JAMES A. LANGLEY

Kobe, December 8, 1925.—The approach of the year's end finds a decided improvement in the yen-dollar exchange rate, the formal adoption of the state budget, a continued improvement in the favourable trade balance, some significant financial statements by the Finance Minister and the Governor of the Bank of Japan at the annual meeting of the Kwansai Bankers' Association, and a cheerful tone on domestic stock markets. With regard to the increases provided for in this present budget, an official statement issued last week explained that no change had been made in the fundamental retrenchment policy, but that the increase was due to the Government's decision to carry out urgent undertakings.

In his speech, the Minister of Finance is reported as saying that the Government is prepared to forward sufficient specie to the United States to maintain the present rate, and to stabilize Japanese credit abroad, and in the near future will remove the embargo on the exportation of gold from other than official sources. It is to this policy that a great deal of the present market strength of the yen is attributed.

FOREIGN BORROWING

A change has taken place in the policy to restrict the importation of foreign capital into Japan by private business and industrial corporations.

The Department of Finance planned at first to restrict the importation by means of legislation, but owing to strong criticism made by leading business men and industrialists against this drastic step, the Government now advises private companies to stop further foreign loan negotiations under prevailing conditions.

TO CONTROL STEEL PRICES

The plan for the nationalization of the Japanese steel industry has been reduced to a plan for the joint purchases of pig iron and sale of the finished product, the syndicate to be known as "The Pig Iron Joint Union."

The Mitsubishi Shoji Kaisha, the Kamaishi Mining Company, the Japan Steel Manufacturing Company, the South Manchuria Railway Company, and the Okura Mining Company are said to have each agreed to invest 10,000 yen in the enterprise. Sales will be handled by the Mitsubichi and Okura companies, with the Mitsui Bussan Kaisha acting as an additional agent although not represented in the union. The purchasing end of the business is to be handled by the Government Steel Works. Prices, according to present plans, are to be standardized.

The formation of this union is interpreted in some quarters as a forerunner to an increase of customs import duties on foreign products. The direct objects, however, are unification of the market, exclusion of imported pig iron, and the relief of Japanese steel manufacturing companies from their present financial depression.

JAPANESE FLOUR TO NORTH CHINA

Flour shipments from Japan to North China still continue and contracts for December delivery have been made. The contracts concluded from January to the middle of November amounted to about 3,500,000 bags, exclusively for North China.

Such large contracts for flour are unprecedented in Japan. The nearest approach was the 3,000,000 bags shipped to Europe in 1917.

At the present time there is no indication of the falling off of business, and mills have contracted for their full output as far ahead as the end of next month. The export price for North China averages 4.20 yen per bag, and is almost the same as the domestic price. The entire value of export flour is estimated at more than 15,000,000 yen.

The explanation for this unparalleled movement of wheat flour is ascribable to the curtailed milling operations in Shanghai due to the poor wheat crop in the interior of China and a declining flour-milling industry in Harbin and other producing centres in North Manchuria.

Another factor which worked out to the advantage of the Japanese mills was an upturn in the price of bran. This compensated for any probable loss due to market fluctuation in flour. Recently the Japan Flour Mill Company completed the erection of a very large modernly equipped flour mill at Yokohama, and the Nisshin Flour Mill has under construction a new plant at Tsurumi.

OIL PRODUCTION HEAVY FOR YEAR

Speculative imports of oil coupled with an abundant production in Japan proper, and a fall in the price, featured this year's oil business in Japan.

The increase in the importation of oil and domestic over-production caused a fall in the market prices, and as a result of this oil companies here have

profited little in spite of the fact that the demand steadily increased. Crude oil imported during 1923 totalled 4,718,006 cases, that in 1924 7,798,071 cases, and that in the first half of this year 5,168,020 cases. This year's entire amount of imported oil will be about 10,000,000 cases. It is thought that the market price will not improve in the immediate future, due to the large stocks on hand.

RUSSIAN TRADE GUILD PROGRESSES

Considerable progress is reported to have been made in the drafting of the contract of the Russian trade guild which is now in course of formation among Japanese exporters.

The principal activities of the guild will be confined to the Soviet Union, the Chinese Eastern Railway zones in Manchuria and Mongolia, Finland, Esthonia, Latvia, Lithuania and Poland, and consist of the selection, handling, packing and shipping, on a commission basis, of all kinds of merchandise originating in these countries as well as the exportation of Japanese products.

PROTECTIVE DUTIES ADVISED

A special committee is now working on the revision of the Japanese statutory tariff, and it is anticipated that a bill will be introduced at the next session of the Diet.

MAY RAISE TARIFF ON WHEAT

An increase in the customs tariff on foreign wheat is understood to be under contemplation. It is anticipated that the duty will be increased from 77 sen per 100 kin (133 pounds) to about 1.80 yen. A bill is to be submitted shortly for approval. The present wheat tariff was fixed in 1913, when it represented about 20 per cent of the market price.

HAT MAKERS WANT INCREASED DUTIES ON FOREIGN HATS

A movement is afoot among Japanese manufacturers of men's hats, sponsored mainly by the Tokyo Hat Company and the Imperial Hat Manufacturing Company, to obtain a customs tariff high enough to afford what they regard as adequate protection to the domestic industry. They suggest an import duty of 15 yen on hats of wool and 40 yen per dozen on those of felt and velour, as against the present uniform tariff of 7.50 yen. The existing tariff on hats was promulgated in 1910. Of late years, the demand for high-priced imported hats has been increasing, and these have been replacing the low-priced soft woollen hats formerly so much in vogue. The demand for head pieces now reaches 40,000 dozen a year, of which about 25,000 dozen are imported.

GENERAL CONDITIONS IN ARGENTINA

TRADE COMMISSIONER E. L. McCOLL

EXCHANGE

Buenos Aires, December 3, 1925.—During the last year the paper peso has been very steady with a gradual inclination towards par. At the end of November it stood at 41.66 Canadian cents per Argentine paper peso, but this difference of 2 per cent, so it is said by some authorities, will disappear instantly if the Conversion Office is opened. Argentine currency was slightly affected and fell a few points in international exchange at the end of November owing to the sudden cessation of new season covering for grain, caused by the unexpected

realization that all was not as had been anticipated with the crop. This is, however, only a transitory phase, as the wheat harvest promises a normal quantity for export, while linseed and oats have turned out better than expected.

STOCK MARKET

Public attention being directed to the cereal markets at this time of year is partly the cause of a state of lethargy on the stock market. The increase in the bank rate has also been a factor in diminishing the public demand for securities, especially amongst those who are accustomed to hold stocks on borrowed money. Throughout November there has been an air of uncertainty and hesitation, with the probable exception of Buenos Aires Internal and a few other Provincial issues, resulting in a general and substantial fall in quotations. On December 1 there was marked activity in the "Cédula" market but at a level.

FINANCE

The gold in the "Caja de Conversion", which is a guarantee behind the paper currency, amounts to 451,782,984.18 gold pesos, equivalent to 1,026,779,500 paper pesos. The paper money in circulation amounts to 1,319,797,739.72 paper pesos.

RAILWAY TRAFFIC RECEIPTS

Railway traffic receipts covering about three-quarters of the mileage of the country show a decrease equivalent to about \$1,900,000 (Canadian) from July 1 to November 21 when compared with the same period of last year. The remaining mileage shows an increase in traffic receipts of about \$900,000 (Canadian) from January 1 to November 21 over the same period of last year.

BUILDING TRADE PROSPERITY

There is a large amount of building taking place, not only throughout Buenos Aires but in the suburbs and cities and towns of the interior. An example is that The South American Stores (Gath & Chaves) Ltd., a subsidiary of Messrs. Harrods, Ltd., of London, have purchased a site in Rosario for a branch departmental store, which it is reported will cost, for land and building, the equivalent of \$1,500,000 (Canadian).

WHEAT AND OTHER CEREALS

Although there has been damage done in some of the grain growing districts, the general agricultural outlook is one to inspire considerable optimism as barring fresh losses on a big scale, it would look as if there would be about 1,000,000 tons of grain harvested in excess of the quantity harvested last year. At the present time, however, it is difficult to obtain a really sound and impartial opinion regarding the amount of wheat which will finally be harvested. The forecast of the Government made on November 13 gave an estimated production of 6,400,000 tons. Towards the end of November discouraging reports of the Argentine crop were reaching the outside world because of rust and frost damage in two or three centres. These reports, conveying an idea that the damage was general, have caused a wrong impression concerning the losses. Government officials have refused to alter their forecast which they had given out until more definite information was forthcoming. Some authorities maintain that the estimate of 6,400,000 tons made due allowance for a heavy loss in the north, and that under any circumstances the bumper harvest in the south and centre would make up the shortage. Most of the pessimistic opinions were cabled to North America and to Europe, and quotations from there denoted even greater nervousness than prevailed in the local market. The fact is that

agriculturists have been expecting an extraordinary yield and the statement that the crops of Santa Fe and Córdoba have been destroyed to the extent of 70 per cent may yet leave something worth while to be harvested. The exact situation, however, will not be known for some days yet.

On November 30, No. 1 wheat on the Rosario market fell 80 centavos (33.6 Canadian cents) and the local market was easy, notwithstanding renewed strength on the Winnipeg and Chicago markets.

The following is the yield in metric tons of cereals during the last two years, with an estimate of the present crop:—

Years	Wheat	Linseed	Oats	Barley	Rye	Birdseed
1923-24	6,744,276	1,473,405	1,108,057	258,463	98,988	9,866
1924-25	5,201,979	1,145,190	775,922	151,833	37,020	9,578
1925-26*	6,000,000	1,900,000	1,200,000	270,000	100,000	25,000

* Estimate.

Estimated present surplus is as follows:—Wheat, 4,000,000 tons; Linseed, 1,750,000 tons; Oats, 850,000 tons; Barley and Rye, 250,000 tons; Maize, 600,000 tons.

To the 1926 estimate must be added the new crop of maize which is due next April.

LIVE STOCK

The cattle market is normal with a satisfactory trade at good prices. Last Monday and Tuesday can be taken as two typical sales days. Prices for steers ranged from 27.50 to 28.40 paper pesos per kilo, live weight. Some 17,400 head, including steers, cows, and calves, were disposed of. Cattle slaughterings by twelve packing houses for Jannary-October, 1925 were 2,786,750 head and for January-October, 1924 were 3,251,428 head.

Sheep.—On the same two days the sheep market displayed dullness. At the end of the second day 18,743 head were entered, while the total number sold was 9,443. Prices ranged from 17 to 18.80 paper pesos per head. Sheep slaughterings by twelve packing houses for the period January-October, 1925 were 3,469,215 head and for January-October, 1924 were 2,916,196 head.

Pigs.—Monday's and Tuesday's sales of pigs amounted to 1,555 at from 46 to 57 centavos per kilo. Pig slaughterings by twelve packing houses for the period January-October, 1925 were 87,157 and for January-October, 1924, 82,010.

NOTE.—1 gold peso equals 94.68 Canadian cents, 1 paper peso equals 41.66 Canadian cents.

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

1. **FOODSTUFFS.**—Manufacturers' representative in Shanghai desires connections on a commission basis with Canadian manufacturers of foodstuffs such as biscuits, jams, dried fruits, and grocery supplies. Branches in Tientsin, Tsingtsao, Mukden, and Harbin.

2. **POTATOES.**—A Havana commission merchant wishes to hear from Canadian exporters of the above.

3. **COLOURED CHEESE.**—Belfast firm want to make a direct connection with a good exporter of coloured cheese of Belleville, Brockville, or Ingersoll make.

4. **PRODUCE.**—A London firm of manufacturers' agents are desirous of representing Canadian manufacturers and exporters of the following: butter, cheese, canned fruits and vegetables, canned salmon, condensed milk, milk powder, syrup, macaroni, etc.

5. **SUGAR, CANNED GOODS.**—A Dublin firm wish to purchase on own account sugar, canned apricots, peaches, and pears.

6. **CONDENSED MILK.**—Belfast firm of wholesale grocers and importers wish to buy, or sell on commission, condensed milk (sweetened), but not through London agents. Direct connection essential.

7. **OATMEAL.**—A Belfast firm would like a connection with a good oatmeal mill in Canada.

8. **OATS AND OATMEAL.**—A Belfast firm of importers wish to get in direct touch with shippers of oats and oatmeal from Canada.

9. **OATS, BARLEY AND/OR BARLEY MEAL.**—A firm in Belfast, with branches in London, Liverpool, and Antwerp, desire to get in touch with Canadian exporters of the above.

10. **WHEAT FLOUR (PATENT).**—A firm of importers in Amsterdam would be glad to get into touch with Canadian millers desiring representation.

Miscellaneous

11. **FIBRE FLAX SEED.**—A Belfast firm want to import direct from Canada fibre flax seed.

12. **HOPS.**—An old-established Brussels firm are interested in the importation of Canadian hops.

13. **SURGICAL RUBBER GLOVES.**—A manufacturers' representative in Mexico City, with wide connections among drug stores, desires to secure an agency for Canadian brand of surgical rubber gloves, etc.

14. **DRUGS AND CHEMICALS, ETC.**—A Cork firm wish to purchase drugs and chemicals, heavy and light medicine bottles on own account.

15. A Dublin firm wish to purchase beeswax, paraffin scale, ceresine, sanctuary oil (rape seed), stearine.

16. **DRY GOODS.**—A firm of London manufacturers' agents with travellers in the field wish to secure the representation of Canadian manufacturers of the following lines: woollen and woollen knitted goods, artificial silk piece goods, lingerie, fabric gloves, silk stockings.

17. **PAPER.**—A Belfast firm want to get in touch with Canadian exporters of paper used in the grocery trade, including wrapping paper, either as a buyer or on commission.

18. **PAPER, ETC.**—A Dublin firm wish to purchase on own account the following: kraft brown wrappings, greaseproof parchments, vegetable parchments; hemp twines and ropes; cotton twines; jute twines; tissues of all descriptions; biscuit bags, white and brown, etc.

19. **CLOTHES PEGS.**—A South Wales firm of importers will be in the market in January, 1926, for clothes pegs, dolly type. Canadian manufacturers should at once submit lowest quotation on carload lots, c.i.f. Cardiff or Avonmouth, in sterling if possible. January-February shipment. Samples should accompany quotation.

20. **MOCCASIN SLIPPERS.**—A Belfast firm of wholesale footwear merchants and agents, with a branch in Dublin, are inquiring for moccasin slippers of Canadian manufacture, various brands.

21. **HARDWARE, ETC.**—A Dublin firm are desirous of getting in touch with exporters of hardware and household ironmongery; chandlery, cutlery, brushes, enamelled ware, wood goods for household use, oil heating and cooking stoves.

22. **PLYWOOD, PAPER AND PAPER PRODUCTS.**—An Amsterdam concern would be glad to hear from Canadian exporters of plywood, paper and paper products, with a view to representation in the Netherlands.

23. **IRON AND STEEL GOODS.**—A Dublin firm wish to purchase on own account, and to act as agents for angles, bars, billets, plates, nails, drop forgings, tubes, bolts and nuts, wire rods, wire and cut nails, tacks, screws, rivets, chains; agricultural, mechanics', and machine tools; wire fencing, barbed wire.

24. **IRON AND STEEL PRODUCTS.**—A Dublin hardware firm wish to purchase on own account and to act as agents for angles, bars, rails, tubes, bolts and nuts, wire rods, nails, tacks, screws, rivets, etc.; machinery of all kinds; agricultural, mechanics', and machine tools; wire fencing, barbed wire.

25. **HARDWARE, ETC.**—A London firm of manufacturers' agents with travellers working the United Kingdom are desirous of securing the representation of Canadian manufacturers and shippers of goods saleable by the departments which they operate. They are more particularly interested in the following: wire and cut nails, enamelware, aluminiumware, household utensils, clothes pegs, woodenware, etc.

26. **RAW ASBESTOS.**—A Milan importer seeks the exclusive agency for Italy, or for Italy, Jugo-Slavia, and Switzerland, of Canadian raw asbestos.

27. **SLATE.**—A Belfast firm of timber merchants want samples of Canadian slate, 24 inches by 12 inches, 24 inches by 14 inches, and 4 or 6 inches square, strong, durable and unfading, with a view to business.

To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Volunteer, Jan. 8;
 Canadian Carrier, Jan. 22; Canadian Runner, Feb. 5—all C.G.M.M.
 To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, Jan. 27.
 To SANTIAGO, KINGSTON AND MONTEGO.—Andalusia, Pickford & Black, Jan. 13.
 To AUSTRALIAN PORTS.—Canadian Cruiser, C.G.M.M., Jan. 30.
 To NEW ZEALAND PORTS.—Canadian Challenger, C.G.M.M., Jan. 25.

From St. John

To LONDON.—Bothwell, Jan. 16; Bosworth, Jan. 30—both Canadian Pacific; Canadian Aviator, Jan. 6; Canadian Trapper, Jan. 20; Canadian Raider, Feb. 3—all C.G.M.M.; Vellavia, Jan. 6; Verentia, Jan. 27—both Cunard Line.
 To CARDIFF AND SWANSEA.—Canadian Commander, Jan. 13; Canadian Mariner, Jan. 27—both C.G.M.M.
 To LIVERPOOL.—Metagama, Jan. 8; Montcalm, Jan. 15; Montnairn, Jan. 22—all Canadian Pacific.
 To AVONMOUTH.—Kastalia, Jan. 15; Parthenia, Feb. 5—both Anchor-Donaldson.
 To MANCHESTER.—Manchester Division, Jan. 9; Manchester Producer, Jan. 23—both Manchester Liners.
 To GLASGOW.—Gracia, Jan. 12; Carmia, Jan. 19; Morevia, Feb. 2—all Anchor-Donaldson; Bolingbroke, Jan. 5; Brandon, Jan. 26—both Canadian Pacific.
 To BELFAST AND DUBLIN.—Torr Head, Head Line, Jan. 18.
 To ANTWERP.—Canadian Aviator, Jan. 6; Canadian Trapper, Jan. 20; Canadian Raider, Feb. 3—all C.G.M.M.; Bawtry, Canadian Pacific, Feb. 3.
 To HAMBURG.—Essex County, Jan. 13; Laval County, Jan. 30—both Intercontinental Transports; Bawtry, Canadian Pacific, Feb. 3.
 To HAVRE.—Brant County, Jan. 8; Grey County, Jan. 19—both Intercontinental Transports.
 To ROTTERDAM.—Porsanger, Jan. 9; Grey County, Jan. 19—both Intercontinental Transports.
 To COPENHAGEN AND BALTIC PORTS.—Ivar, Scandinavian-American Line, Jan. 20.
 To SOUTH AFRICAN PORTS.—Fantee, Elder Dempster Line, Jan. 15 (calling at Freetown, Sierra Leone).
 To BERMUDA, BARBADOS, TRINIDAD AND DEMERARA.—Balfour, Canadian Pacific, Jan. 14.
 To SOUTH AMERICAN PORTS.—Hesperides, Houston Line, Jan. 20.
 To NEW ZEALAND PORTS.—Schouwen, New Zealand SS. Ltd., Jan. 16.

From Vancouver

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Asia, Canadian Pacific, Feb. 6.
 To YOKOHAMA, KOBE AND HONG KONG.—Tyndareus, Jan. 7; Achilles, Jan. 28—both Blue Funnel.
 To YOKOHAMA, KOBE, MOJI, SHANGHAI AND NAGASAKI.—Arabia Maru, Jan. 16; Mexico Maru, last half January—both Osaka Shosen Kaisha.
 To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Aorangi, Canadian-Australasian Royal Mail Line, Jan. 13.
 To AUSTRALIAN AND NEW ZEALAND PORTS.—West Cahokia, Pacific Australasian Line, Jan. 23.
 To WEST COAST UNITED KINGDOM PORTS.—Canadian Highlander, C.G.M.M., Jan. 25.
 To LONDON.—Dinteldyk, early January; Loch Monar, second half January—both North Pacific Coast Line; Canadian Planter, C.G.M.M., Jan. 9; Witram, early January; Justin, late January—both United American Lines.
 To LIVERPOOL.—Dinteldyk, early January; Loch Monar, second half January—both North Pacific Coast Line.
 To MANCHESTER.—Pacific Shipper, Jan. 20; Northwestern Miller, Feb. 2—both Furness, Withy.
 To GLASGOW.—Gaasterdyk, North Pacific Coast Line, early February.
 To BORDEAUX, HAVRE AND ANTWERP.—Iowa, Jan. 10; Oklahoma, Jan. 21; Nevada, Feb. 8—all Cie. Gle. Transatlantique (French Line).
 To ANTWERP.—Silarus, middle January; Loch Monar, second half January; Gaasterdyk, early February—all North Pacific Coast Line; Canadian Planter, C.G.M.M., Jan. 9; Witram, early January; Justin, late February—both United American Lines.
 To HAMBURG.—Silarus, middle January; Loch Monar, second half January; Gaasterdyk, early February—all North Pacific Coast Line; Witram, early January; Justin, late January—both United American Lines.
 To ROTTERDAM.—Dinteldyk, early January; Silarus, middle January; Loch Monar, second half January; Gaasterdyk, early February—all North Pacific Coast Line.
 To HAVRE.—Silarus, North Pacific Coast Line, middle January.
 To GENOA, LEGHORN, NAPLES AND TRIESTE.—Arso, Navigazione Libera Triestina, Jan. 10.
 To WEST INDIES AND EAST COAST OF SOUTH AMERICA.—West Camargo, early January; West Cactus, early February—both Pacific-Argentine-Brazil Line.
 To WEST COAST PORTS OF SOUTH AMERICA.—Poljana, General SS. Corporation, Jan. 12.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

P. W. Cook. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

H. R. Poussette. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

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China

L. M. Cosgrave. Address for letters—P.O. Box 300. Office—Laidlaw Building, Szechuen and Nanking Roads, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancoma.*

Germany

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Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watermill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230; office, Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wildo. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P. O. Box 683; Office, Westminster House, Adelderly street, Cape Town. *Cable Address, Cantracom.*

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Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

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Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV Ottawa, January 9, 1926 No. 1145

TABLE OF CONTENTS

	Page		Page
German Market for Rubber Goods	33	Licenses Consolidation in South Africa . .	57
Textiles and Shoes for Siam	38	Imports of Meat and Fish into the British	
The Market for Industrial Chemicals in		West India Colonies	59
Mexico	40	Tenders Invited—	
Market of Bolivia	45	Australia	60
Economic Conditions in the Netherlands. .	51	New Zealand	60
Machinery Market in China	52	World's Cotton Crop	60
Commercial Agreement between Germany and		Trade Inquiries for Canadian Products . .	61
Switzerland.	55	Foreign Exchange Quotations for the Week	
German Conventional Duties under Treaty		ending Jan. 4	62
with Italy	55	Proposed Sailings from Canadian Ports . .	62
Canadian Opportunities in Peru	56	Commercial Intelligence Service	64

GERMAN MARKET FOR RUBBER GOODS

TRADE COMMISSIONER L. D. WILGRESS

Hamburg, December 10, 1925.—There is an important rubber industry in Germany, consuming a large quantity of raw rubber annually and producing all kinds of rubber goods. While there is a considerable export trade in some rubber lines, other products are at the same time imported. In this respect the position is similar to that in Canada.

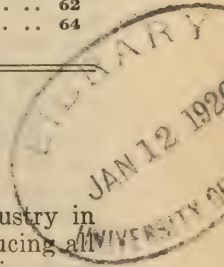
The rubber goods now being imported into Germany chiefly consist of tires and canvas shoes with rubber soles, while exports include tires, all kinds of hard rubber products, belting, rubber clothing, seamless rubber goods and surgical rubber lines.

IMPORTS OF RUBBER GOODS

The importation of rubber goods into Germany has been very small since the war owing to the system of import prohibitions and licenses. About a year ago the German Government commenced to relax this system of control and to more freely grant licenses for the import of certain products. Thus permits were issued for the importation of a sufficient quantity of tires to equip the comparatively few foreign cars in Germany and the restrictions on the import of rubber footwear were relaxed. A fair quantity of tires and of canvas shoes with rubber soles have therefore been imported during the course of the current year.

On October 1, all import restrictions were removed with the introduction of the new Customs Tariff so that in future larger importations of tires and possibly also of rubber footwear may be anticipated.

The Canadian rubber industry has supplied a considerable proportion of the canvas shoes with rubber soles and also a few of the rubber tires recently



imported into Germany. According to the Canadian trade returns exports from Canada to Germany during the seven months April to October of this year comprised 27,718 pairs of canvas shoes with rubber soles of a total value of \$19,000 and 2,760 pneumatic tire casings of a total value of \$47,041.

THE TARIFF POSITION

The tariff is one of the most important factors to be taken into consideration in connection with the possibilities of exporting rubber goods to Germany. Owing to the amount of capital invested and the opportunity it offers to keep surplus labour employed, the German rubber industry has always enjoyed a high degree of protection.

The new tariff, which became effective on October 1 last, did not involve many increases in the duties on rubber goods and since then lower conventional duties on certain products have been provided for in accordance with commercial treaties negotiated with foreign countries. Of these treaties the most important have been those with the Belgian-Luxembourg Economic Union and with Italy, which provide for lower rates on rubber tire casings and tubes.

The following schedule shows the existing rates of duty under the general and conventional tariffs on the most important lines of rubber goods:—

German Duties on Rubber Goods

Tariff Item No.	Article	General Rate	Conventional Rate
		Marks per 100 kg. (220 lbs.)	Marks per 100 kg. (220 lbs.)
527	Canvas shoes with rubber soles	140	140
	Bathing shoes of cotton cloth with rubber inner soles	140	120
574	Inner tubes of vehicle tires	240	125
	Other rubber tubes	160	160
575	Rubber belting	60	60
577	Rubber shoes:		
	Unvarnished	210	210
	Varnished	300	300
578	Tire casings	360	125
	Solid tires	360	100

1 Mark = \$0.238.

The lower conventional rates in the above schedule are applicable to goods from all countries having commercial treaties with Germany providing for most-favoured-nation treatment such as the United Kingdom and the United States. Canadian goods at present are dutiable under the general tariff rates in the absence of a commercial treaty between the two countries. This should make it difficult to export tires from Canada to Germany, so long as Canadian tires are dutiable at a higher rate than tires from the United States.

The present rates of duty on rubber shoes are very high and have been effective in restricting imports from abroad. It has been expected that the German Government would introduce lower conventional rates of duty on rubber shoes as a result of commercial treaty negotiations, but this anticipation has so far not materialized.

On the other hand, canvas shoes with rubber soles are dutiable at the rate of 140 marks per 100 per kilogramme, or roughly 15 cents a pound, which has not proved to be prohibitive; as fairly considerable quantities have been imported at this duty.

THE GERMAN RUBBER INDUSTRY

There are reported to be 108 factories in Germany making rubber and gutta percha goods. The total number of workers employed is given at 49,396. Of these factories 54 employ less than 100 workers each, while 6 concerns with a total of 23,099 workers employ over 1,000 workers each.

The raw rubber requirements of the German industry are indicated by the following table:—

	Imports of Raw Rubber Metric Tons	Exports of Raw Rubber Metric Tons	Excess of Imports Metric Tons
1913	20,498	3,972	16,526
1922	28,797	807	27,990
1923	19,749	933	18,816
1924	23,855	794	23,091
First nine months of 1925	30,890	776	30,114

The imports of raw rubber during the first nine months of 1925 were nearly double those of the corresponding period last year. In addition there were imported 472 tons of balata and 165 tons of gutta percha, so that the total German requirements for the current year have been estimated at around 40,000 tons.

About 70 per cent of the total imports of raw rubber are stated to be used for the manufacture of tires. The progress made in the mass production of motor cars in Germany led to a great increase this year in the output of tires which has been largely responsible for the enlarged imports of raw rubber.

The number of concerns in Germany manufacturing rubber tires is limited. The largest single producing factor and the company whose products are best known abroad is the Continental Caoutchouc and Gutta-Percha Compagnie, Hannover. The next largest exporter of tires would appear to be the Peters Union A.-G. of Frankfort, a.Main. Other important German producers of tires are the Excelsior A.-G., Hannover; Daka Pneumatik G.m.bH., Berlin; Asbest & Gummiwerk Alfred Calmon A.-G., Hamburg; Vorwerk & Sohn, Bremen; and Gummiwerk Fulda A.G., Fulda.

The Continental Company manufacture a full line of other rubber goods in addition to tires and the same applies to certain of the other tire manufacturers mentioned. Firms specializing in the production of seamless rubber goods are located in Cologne, Leipzig and Berlin, while the most important manufacturers of hard rubber goods and rubber shoes are situated in the Hamburg industrial area.

The distribution of the rubber industry in Germany by districts is shown in the following table:—

District	No. of Rubber Factories	No. of Workers
Hannover	9	18,069
Hamburg and vicinity	22	8,799
Berlin	13	3,368
Cologne	9	2,751
Mannheim	5	2,042
Leipzig	6	1,776
Wiesbaden	3	1,655
Hesse	5	1,518
Bavaria	2	1,374
Thuringia	4	1,319
Cassel	3	1,250
Düsseldorf	4	1,018
Waldeck	1	1,013
Hildesheim	4	882
Prussian Saxony	3	634
Brunswick	2	389
Westphalia	3	357
Dresden	2	356
Wuerttemberg	2	253
Bremen	1	134
Anhalt	1	110
Oldenburg	1	103
Luebeck	1	103
Aix la Chapelle	1	91
Osnabrueck	1	74
Bautzen	1	58

German exports of motor car tires account for only 2.7 per cent of the total world export and Germany ranks sixth as an exporter of tires coming after the United States, France, Canada, Great Britain and Italy. Nevertheless in certain foreign markets the principal German makes of tires are an important factor in the trade.

The largest single market for German motor car tires is Argentina. In the first nine months of 1925, 55,635 inner tubes and 23,688 casings for motor car and truck tires were shipped to that country. The Dutch East Indies are another important outlet, having taken 9,466 inner tubes and 11,054 casings in the same period. Exports to India during this period were 6,690 inner tubes and 5,829 casings for motor car and truck tires, while to Great Britain 11,942 casings were exported. Other leading markets for German motor vehicle tire casings are Switzerland, Austria, Denmark, Holland, Sweden, Czecho-Slovakia, South Africa, Chile, Mexico, Egypt and Brazil.

Inner tubes for bicycle tires were chiefly exported during the first nine months of 1925 to Great Britain, Denmark, Holland, Italy and Czecho-Slovakia and casings for bicycle tires to Denmark, Czecho-Slovakia, Great Britain and Austria.

IMPORTS OF TIRES INTO GERMANY

It will be noted from the above table that there has been a considerable increase in 1925 in the imports of inner tubes and casings for motor car and truck tires. Of the 18,522 tire casings imported during the first nine months of the year the United States supplied 5,426 and Italy 5,095.

Italian tires were favoured during this period, as in exchange for Italian purchases of German motor cars and accessories a higher quota of imports under permit was granted for Italian tires. The chief supplier of tires to the German market from Italy has been the Italian branch factory of the French Michelin concern, but the Italian Pirelli Company have also been exporting to Germany.

Tires from the United States and Canada are in demand in Germany chiefly on account of their superior quality, but the severe competition of European manufacturers has to be met. The principle competitors of United States and Canadian tires are the two Italian plants mentioned who enjoy the great advantage of depreciated exchange. The British Dunlop company is another formidable competitor. On the other hand the increasing use of American makes of motor cars in Germany favourably influences the demand for tires from the United States and Canada but so long as Canadian tires are under a disability in regard to duty it cannot be expected that many tires will be imported from the Dominion.

TRADE IN RUBBER FOOTWEAR

Exports of rubber shoes from Germany in the first nine months of this year amounted to 305,000 kilogrammes as compared with 265,100 kg. in the same period last year. Imports of rubber shoes amounted to 24,600 kg. of a value of \$25,000 as against 12,900 kg. in the first nine months of last year.

Nearly all the rubber shoes exported from Germany this year have been shipped to neighbouring European countries, chiefly to the Baltic States and Scandinavia, in which markets German rubber shoes come into competition with Canadian products.

Owing to the high duty of 300 marks per 100 kg. or roughly 32 cents a pound on varnished rubber shoes and of 210 marks per 100 kg. or roughly 23 cents a pound on unvarnished rubber shoes, it is not thought possible to do much business in exporting the usual lines of rubber shoes to the German market. The case is different, however, with canvas shoes with rubber soles, on which the duty is 140 marks per 100 kg. or 15 cents a pound, and in this line there is an opening for sales to Germany from Canada.

One brand of rubbers from the United States is sold in Germany to some extent, being especially favoured on account of their light weight. This brand, however, is very well introduced and it is considered that it would be very difficult to introduce a new Canadian brand of rubbers to the market in face of the high duty.

The German statistics do not show separately the imports of canvas shoes with rubber soles, these being included under the item for shoes of cloth with soles of other materials.

The imports of canvas shoes with rubber soles from Canada in recent months have consisted almost exclusively of shoes with crepe rubber soles for which there was a great demand in Germany last summer. The German manufacturers have taken up the production of these shoes, closely copying the Canadian models but it is not thought possible that in this line the European manufacturers can make shoes of the same quality as the Canadian product. The opportunity of exporting these shoes from Canada to Germany therefore should continue.

REPRESENTATION

The most satisfactory method of doing business with Germany in rubber goods is to give an exclusive agency for the whole country to a firm who will be prepared to buy on their own account and distribute the goods throughout the territory. Such a firm is difficult to find, particularly one who will be prepared to purchase the goods cash against documents, as facilities in the way of credit up to three months are usually requested.

TEXTILES AND SHOES FOR SIAM

TRADE COMMISSIONER A. B. MUDDIMAN

[Subjoined is the sixth of a series of reports on the Siamese Market by Mr. Muddiman. The first, introductory to the series, was published in No. 1140; the second, on Food Products, in No. 1141; the third, on Metal Manufactures and Machines, in No. 1142; the fourth, on Automotives, in No. 1143; and the fifth, on sundry lines, in last issue.]

Singapore, November 12, 1925.—Although the general character of the Siamese costume is observed among the masses, there is a tendency to adopt, among the more affluent and influential classes, convenient particulars of Western dress. Among officials, both military and civil, there is a craze for modern uniform of an infinite variety. The most striking feature of Siamese native dress is the nether garments. In the south and in Bangkok it would seem the pahnung prevails, while in the north, the older garment, the pahsung or Malay sarong is still worn. The pahnung is really a large sarong and is gathered up at the crutch and gives an effect of the early bloomers of the last years of the Victorian era. Where the pahnung prevails, as men and women wear the same garment and the latter also have their hair bobbed, it is at first difficult to distinguish between the sexes. As a matter of fact, the male is now adopting to some extent, short pants and discarding the baggy pahnung. All officials on duty wear the Royal blue pahnung. Any colour in the same garment may be worn by non-officials, but special colours are affiliated, it is said, with each day of the week. For mourners at cremations, the pahnung is white. But, for mourning the European black crepe armlet is now worn and is becoming common even among the Chinese. The toilettes of Siamese ladies of rank are probably only equalled in this part of the world by those of high class Balinese and Javanese girls. Indeed the silk sarongs of Chiangmai are perhaps preferable to the genuine batik sarongs of Java.

COTTON PIECE GOODS

According to a recent report of the Ministry of Commerce, Bangkok, the piece goods market is stagnant from the Western standpoint. The Chinese in Bangkok barter rice in exchange for Japanese piece goods. There is a tendency for this to grow, as the Japanese products, especially grey and white shirtings, have become a serious rival to the Manchester products. Locally, a considerable weaving and dyeing industry has sprung up among the Chinese in Bangkok. This came into existence during the War when imported piece goods were at prohibitive prices. This industry instead of ceasing, has grown, owing to the influx of Chinese during the recent trouble in China, and also to the greater proportions of Chinese female immigrants coming in, who are eminently adapted to this work.

Under the head "Textile Fabrics Cotton Imports" there are seventeen different classifications listed, including palais, papoons, sarongs, pakamas, patas, prints and chintzes, white and grey shirting, turkey red cloth, artificial silk fancies, cotton voiles, singlets, cotton blankets, cotton towels besides other unspecified cotton manufactures. The meaning of the names of the first five groups above apply, of course to native garments, etc., unknown in Canada. Palais, for example, are colour printed nether garments; papoons are colour woven nether garments. The sarong is the universal Malay garment and is too well known to require description. The pakama is a narrow shawl and the pata is a nether garment colour printed in checks and crosses. This is a highly specialized Eastern trade in which as yet Canada has had no opportunity to enter. In voiles the United Kingdom is supreme. In turkey red cloth the bulk is consigned from Hong Kong. In artificial silk fancies, England and Italy supply the trade. The United States in other piece goods did a direct trade last year of only, in value Ticals 2,567, out of a total trade valued at over ten million Ticals. The first item here, in which Canada can hope for business, is singlets.

SINGLETS

Into Siam last year 42,008 dozen singlets were imported. While in Siam, the writer succeeded in interesting a firm in Canadian singlets. A sample of the type of singlet required has been filed with the Department at Ottawa and can be inspected. This is the high class singlet, and in this line only is it probable that Canada can compete. The cheap line of singlet is made by Japan and imports from the country represent about half the total imports in quantity, but not a third of the total value. The United Kingdom goods are too expensive. The United States has not made any efforts to secure any trade it would seem, but it is against Germany that Canada will have to compete. More than once Canada has obtained trade in singlets, and there is little doubt but that if a really concentrated attack were made with an interested importer's assistance, some definite idea could be obtained of the possibility of entering the market permanently. Sales so far in this area, have been spasmodic, and some lowering of price and changes in the style of singlet offered, will have to be contemplated. Lisle thread singlets at a c.i.f. price Bangkok of about or under \$5 per dozen might find some sale. It must be remembered that the Chinese and Siamese require smaller sizes than Canadians; that quarter sleeves are desired as a rule, and that singlets with quarter sleeves are purchased at a cheaper rate than those with half sleeves.

SHAWLS, BLANKETS AND TOWELS

The demand in shawls, blankets and towels in cotton is limited to the cheapest qualities. The trade for Europeans is so minute that it is not worth catering for, and is generally covered already by England.

COTTON HOSE

There is a good demand for a special type of cotton hose in Siam. A sample of the cheaper as well as one of the better quality in demand, has been deposited with the Department at Ottawa. This is a highly specialized Eastern trade which was once investigated years ago by German manufacturers. It is not impossible though, that Canadian hose manufacturers, if they are prepared to turn out the style required, could compete. In hosiery, Canada and the United States have proved their ability against all competitors. This hose is really a knee breeches stocking such as was worn in the old Georgian days. It has a double seam, and that factor is insisted upon. It is required for men and women, and it has no top. It is made in two qualities (see samples), and it has been suggested to the writer by a well known firm that competitive prices c.i.f. Bangkok may be around \$5.75 and \$3.50 per dozen.

BATHING SUITS

The demand in Siam for bathing suits is small. Cottonette bathing suits around \$4.50 a dozen f.o.b. might get such little business as there is. For ladies, the bathing suits should be supplied with skirt of the same material at a little higher price. Wool is not wanted. Woollen bathing suits are only saleable in hill stations or where bathing takes place in inland waters—not in the sea.

BELTS

The fashion for rubber belts in Siam seems to have died out. What are wanted now are cotton waist belts, belts of webbing with leather pouches and leather belts.

RUBBER SHOES

Canada has been able to secure some business in rubber soled canvas shoes. Germany has been supplying some of the market, but the shoes are not well made, having one piece cotton tops, which bag. The Hood brand of the United States supplies ladies rubber soled canvas shoes with white celluloid buckle and a small heel, which is popular. A sample is on file with the Department at Ottawa.

HATS, CAPS, ETC.

The bulk of the trade in hats and caps is controlled by Italy and Japan. The United States has a negligible part in the trade. There is a demand for toques for children made in cotton and woollen mixture. Prices should be \$1 per dozen c.i.f. Bangkok. These are wanted in all colours. Italy would seem to be doing some of the supplying of these.

THE MARKET FOR INDUSTRIAL CHEMICALS IN MEXICO

TRADE COMMISSIONER C. NOEL WILDE

II

(Part I of this report was published in last issue)

The term "Industrial Chemicals" covers such a great variety of products that it is impossible to give concise information in regard to packing, duties, prices, and the purposes for which such chemicals are used. This portion of the report, therefore, deals with the more important items of import, such details being given on the points mentioned as are considered to be of interest to Canadian exporters. All values are in Canadian currency, and, unless otherwise stated, the weights for duty are based upon the weight of the merchandise without containers.

Antimony—Is used in porcelain factories, and for the manufacture of matches and fireworks. The customs duty is $7\frac{1}{2}$ cents per pound, or \$150 a ton.

Acetate of Lead—Is used to a small extent in the cyanide process of ore reduction; formerly there was a considerable demand for this product, but its use was abandoned some six years ago in favour of Litharge, which is manufactured locally. There is also a small demand for this product in the tanning industry.

Packing is usually in wooden barrels containing about 200 kilos (440 pounds) each. Approximate f.o.b. quotations for the refined crystals are \$230 (Canadian) per ton. The customs duty is equal to \$35 a ton.

Acetic Acid—Is principally used by the tanning industry, by jam makers, and by photo-engravers. It is imported in glass carboys, suitably protected, and Canada has already secured a portion of the trade. The value of the imports is upwards of \$20,000 per annum. The customs duty is equal to \$25 per ton, or $1\frac{1}{4}$ cents per pound.

Alcohol—Is widely used for industrial purposes, and is produced locally in large quantities at a very low price. It is improbable that any foreign firm can compete with the native product.

Ammonia (Aqua)—Is sold to the drug stores for retail sale. It is used for making various washes, cleaning compounds, and in general for the same purposes as in Canada. It is also imported in the form of a compressed gas for use in the manufacture of ice, and Canada has a small share of this latter trade. Liquid ammonia is packed in drums containing 800 pounds, and the compressed gas is shipped in steel cylinders. The value of the imports is about \$125,000 per annum, of which eighty per cent comes from the United States. The duty is equal to \$5 per ton, this being payable on the gross weight.

Aniline Dyes—Are used on a very large scale in the textile industry. The best are reported to come from Switzerland, and are preferred by many manufacturers in spite of their high price. The United States is also increasing its trade rapidly, and Germany still retains a large share of the business; the latter country appears, however, to have lost the monopoly which it had in the past. Numerous packet dyes for household use are sold in the country, England, Germany and the United States sharing the trade between them. Canada is not an exporter of these products.

Arsenic—Is in large demand for agriculture, and it is reported to be a constituent of cosmetics. It is also used in the tanning industry and for the manufacture of fireworks. It is imported in 25 and 50 pound barrels, but if of high quality, is also packed in iron drums, on account of its highly poisonous nature. The f.o.b. price of white arsenic, sublimated, 99 per cent pure, in drums of 50 kilogrammes, is \$200 per ton, and of first quality powdered red arsenic, \$400 per ton. The duty on white arsenic is equal to \$10 per ton, and on red arsenic, \$50 per ton.

Borax—Is used extensively in the manufacture of glass and porcelain, and as a flux in smelting ores. A British company has a practical monopoly of the trade, the product itself, however, being imported from branches located in the United States. Prices at present are about \$140 per ton f.o.b. New York. Packing is in barrels. The duty is equal to \$25 per ton, gross weight.

Carbide of Calcium is used extensively for lighting purposes, especially in the underground workings of mines; thus the large mining companies are the principal consumers, and these very frequently buy their supplies direct through their purchasing agents in foreign countries. The Canadian product is well known and appears to be competing with increasing success against the United States and Norway, which were formerly the principal countries of origin; as an example, the value of the imports from Canada during the twelve months

ending March 31, 1925, was \$168,940, as compared with \$83,539 from the United States (year 1924). Even this quantity appears to be susceptible of increase as Canadian manufacturers are not directly represented in Mexico City. Calcium carbide is packed in iron drums of 50 kilogrammes (110 pounds) each, and present quotations on the local market are equal to about \$9.25 per drum. The duty is equal to \$25 per ton, gross weight.

Carbonate of Soda is used to a large extent, and although no details are available, it would appear that the imports exceed \$200,000 per annum in value. The principal sources of supply are the United States and Great Britain. Many qualities are imported, and it is used in its crude form of soda ash by porcelain and glass factories, as a flux for smelting ores and for other purposes. In a more refined state, it is used by tanners, and manufacturers of matches. Carbonate of soda, crystallized and refined, is also the ordinary washing soda for household use, which is in common use in Mexico. In the crude state it is packed in sacks, and in the form of washing soda is in cartons of the same kind as used in Canada. Duty is \$5 per ton, gross weight.

Carbonate of Potassium is used by sugar and alcohol factories, and in the tanning industry. The imports are not large, and the principal source of supply is Great Britain. Canada is not an exporter.

Caustic Soda finds its principal use in the manufacture of soap, of which there is a large and prosperous industry in the Republic. It is employed in the bleaching of textiles and native fibres, and is also used by breweries and for numerous other purposes. The principal source of supply is England, one manufacturer in that country having a practical monopoly of the Mexican business through a well established agency in the capital. It has been ascertained that Canadian prices are slightly high, but a reduction of five per cent on recent quotations would enable the manufacturers of the Dominion to compete with fair chances of success; it should be added, however, that any competition in price would probably be met by the present sources of supply, and the most efficient means of entering the market would therefore be through quality. (Caustic soda is sold on the basis of the 76/78 test.) Prices vary slightly from time to time, but a Canadian quotation of \$70 f.o.b. Mexican gulf ports would probably enable business to be secured. The duty is equal to \$25 per ton, gross weight.

Caustic Potash is used in the bleaching of textiles and for many miscellaneous purposes. A local dealer states that practically the whole of the imports come from Great Britain, other countries being unable to compete. Packing is in drums. Duty is equal to \$25 per ton, gross weight.

China Clay is in large demand for use in the manufacture of porcelain, and is also used in the textile industry and by photo-engravers. The best quality comes from England, which has a practical monopoly of the trade. Prices are subject to fluctuation, purchases being made on the basis of daily quotations. Packing is in bags. This product enters Mexico free of duty.

Chloride of Lime is the ordinary bleaching powder of commerce. It is used for disinfecting purposes and in the textile and fibre industries. The imports are not large, and are principally from the United States. Canada is not an exporter. The duty is equal to \$15 per ton.

Chloride of Magnesium is used as a softener and antiseptic in the textile industry. It is packed in drums of 350 to 400 kilogrammes (770 to 880 pounds) each. The duty is equal to \$15 per ton.

Chloride of Sodium—This is the chemical name for common salt, which finds wide use for a great variety of industrial purposes. In spite of extensive deposits in Mexico and a local production of considerable volume, the imports amounted in 1924 to a value of \$123,000. Prices and packing vary in accordance with

quality, but in the crude form it is usually imported in bags. The duty on common rock salt is equal to \$5 a ton, and on refined table salt $\frac{1}{2}$ cent per pound, gross weight.

Chloride of Zinc is used as a softener and antiseptic in the textile industry, the average specification of quality being 98 to 100 per cent pure. It is packed in drums of from 350 to 400 kilogrammes (770 to 880 pounds) each, and the approximate f.o.b. price is \$135 per ton. The duty is \$15 per ton gross weight.

Cream of Tartar is used in the manufacture of candies and comes principally from Italy. The imports amount to about \$10,000 per annum and the price is about \$410 per ton f.o.b. Packing is in wooden barrels containing 50 to 100 kilogrammes (110 to 220 pounds) each. The duty is equal to $3\frac{3}{4}$ cents per pound or \$75 a ton.

Cyanides (Alkaline). Used in mining for the reduction of gold and silver ores. Canada has been very successful in obtaining a secure foothold in the Mexican market for this product, which as used locally is a mixture of alkaline cyanides with chloride of sodium. The business started in 1916, but was abandoned two years later. In 1919, however, further efforts were made, and since that time there has been a gradual development, until at the present time the Canadian cyanide has secured by far the greater part of the trade. The balance is principally in the hands of an English manufacturer, but imports from this source are decreasing. Packing is in galvanized steel drums holding two hundred pounds. Alkaline cyanides enter Mexico free of duty.

Fertilizers (chemical) are used to a certain extent, but the demand at present is much below normal on account of the depression in agriculture which has taken place during the past few years. Most of the chemical fertilizers are super-phosphates, but others are used, and Chilean nitrates have been recently introduced by a well known British firm of importers in Mexico City. It is probable that imports will increase considerably in the future, when settled conditions lead to a more extended cultivation of the land by modern methods. Fertilizers enter Mexico free of duty.

Gelatine is used to a large extent by candy factories. The principal sources of supply are Germany and Spain. It is stated by an importer that whatever the origin, a label printed in French is usually preferred, as this suggests to the buyer a superior grade of product. Packing is usually in cartons of 450 grams (1 pound), these being again packed in cases containing 224 packages. The f.o.b. price is 50 cents per kilogramme, equal to about $22\frac{1}{2}$ cents per pound. The duty is equal to $3\frac{3}{4}$ cents per pound or \$75 a ton.

Glucose is imported to a small extent, the United States having the control of the trade. It is used in the manufacture of candies, and packing is in drums. The duty is 1 cent per pound, gross weight.

Glycerine is employed in the manufacture of soap, of which there is a number of large factories in the Republic. It also finds a use as a deliquescent in the textile industry, and to a smaller extent by tanners. Glycerine is made locally, and the imports probably do not exceed \$15,000 a year in value. It is packed in barrels containing 300 kilogrammes (660 pounds) and the f.o.b. price is \$410 per ton. The duty is equal to \$50 per ton, gross weight.

Hydrochloric Acid, or muriatic acid, is used largely by textile manufacturers, tanners, breweries, mines, and in a number of other industries. The demand is not great, and one firm in the United States is said to supply practically the whole of the imports. In addition, a local factory is engaged in the production of hydrochloric acid, and efforts have been made to establish other factories. For this reason, it is likely that imports will decrease in the future. The duty is \$50 per ton, gross weight.

Hyposulphite of Soda is imported to the value of about \$48,000 per annum, principally from Germany. It is largely used by dealers in photographic supplies, and there is also a demand in the tanning, mining and hat industries. The average f.o.b. price is \$40 per ton, and packing is in barrels of 250 kilogrammes (550 pounds). This product enters Mexico free of duty.

Litharge (lead oxide, PbO.) is used in the manufacture of paints, in glazing earthenware, and for the reduction of mineral ores. It is manufactured locally to a certain extent, and the greater part of the imported product comes from the United States (Colorado). Packing is usually in wooden barrels. The import duty is equal to \$50 per ton, gross weight. Canada is not an exporter.

Phosphorus is used largely in the manufacture of matches, which is an important industry in Mexico. The imports are valued at about \$75,000 per annum, and the trade is divided equally between Germany and the United States. The duty is equal to 10 cents per pound. Canada is not an exporter.

Prussiates of Soda and Potash are used to a small extent in industry, more particularly for stiffening fabrics in the textile factories. Packing is in wooden barrels containing 440 pounds and the f.o.b. price is \$230 per ton. Germany is the principal source of supply. The duty is $\frac{3}{4}$ cent per pound, gross weight.

Reagents.—The numerous chemical reagents required for chemical analysis are of necessity required in the purest possible state. One firm in Mexico City does the majority of the business among local buyers, and they obtain their supplies from the United States and Germany. British laboratory reagents are practically unknown in Mexico, in spite of their recognized quality; this appears to be due to lack of effort on the part of exporters.

No prices or duties can be given owing to the great variety of reagents in use, and indeed these would be of little value, as it does not appear that Canadian exporters can compete with any hope of success.

Silicates of Aluminum, Potash and Soda are imported to the value of about \$90,000 per annum, and find their principal use in the soap and porcelain industries. The chief sources of supply are the United States and England. Canada is not an exporter. The duty is equal to \$20 per ton.

Starch, both corn and potato, is used in the textile industry. The largest demand is for "fécula de papas", a form of potato starch which is manufactured on a large scale in Germany. It is packed in double jute sacks of 50 kilogrammes weight. Prices are subject to wide variation, and sales are usually made on the quotations of the day. The duty is equal to 1 cent per pound, gross weight.

Sulphate of Copper (blue vitriol) is used by telegraph and telephone companies for electric batteries, and also finds an extensive application as an insecticide in agricultural work. It is also used in the mining industry, and by tanners, photo-engravers, and for many other purposes. The average value of imports is about \$17,000 per annum, practically all from the United States. Packing is in wooden barrels of two to three hundred kilogrammes (440 to 660 pounds). Prices for crystals 98 to 99 per cent pure vary from \$135 to \$145 per ton f.o.b. The duty is equal to \$5, gross weight.

Sulphur is largely used in textile factories for bleaching purposes. It is also used in the sugar and alcohol factories, in the manufacture of matches and fireworks, for bleaching fibres and many other purposes. Although Mexico contains large deposits of sulphur and in the past was an exporter on a substantial scale, this industry has now ceased, and practically all the requirements of the country are obtained from foreign sources. The best sulphur is stated to come from Italy, an inferior grade being supplied by the United States. Packing is in sacks containing either 50 or 100 kilogrammes, and the f.o.b. prices are: for Italian rod sulphur, \$45 per ton, and for flour or "flowers" of sulphur, \$50 per ton. The duty is equal to \$5 per ton, gross weight.

Sulphuric Acid is used in the bleaching of textiles, for automobile accumulators, in the sugar mills, by tanners and hat makers, and for numerous other industrial purposes. The total imports average \$150,000 in value per annum, of which the United States supplies about one-half, Holland being responsible for a further forty per cent. Sulphuric acid is shipped in carboys, carefully protected from damage by wooden crating. The duty is equal to \$15.20 per ton, gross weight.

Zinc Dust is used almost exclusively for the precipitation of metals in connection with the cyanide process of ore reduction. The principal source of supply is the United States, which provided two and a half million pounds in the year 1924, of a value of nearly \$200,000. England also exports smaller quantities. Packing is in tin lined cases, it being highly important to protect this product from the effects of weather. Zinc dust enters Mexico free of duty.

Zinc White (oxide of zinc) is used largely in the manufacture of paints, matches, straw hats, and by tanners and foundries. The principal sources of supply are England and Germany, but the United States also provides substantial quantities. The duty is equal to \$50 per ton, gross weight. Canada is not an exporter.

There are numerous other industrial chemicals which are imported into Mexico on a smaller scale, but an examination of official statistics indicates that in no case is Canada an exporter; for this reason reference need not be made to them in detail. In cases where a manufacturer is considering the export of chemicals for industrial use other than those above mentioned, an inquiry as to the possibility of business may be addressed to the Trade Commissioner in Mexico City, who will supply all particulars of the demand (if any), prices, duties and any other information which may be necessary to form a judgment on the matter. Such inquiries should always be accompanied by a sample of the product in question, and, if possible, approximate quotations should be submitted.

THE MARKETS OF BOLIVIA

Owing perhaps to the rivalry for the markets of Bolivia's better known and wealthier neighbours, that South American Republic has sometimes been overlooked by exporters seeking fresh outlets for their merchandise. As a market for Canadian goods the Republic, the third largest of the South American countries, is practically untouched. Although there has been an encouraging increase of imports from the Dominion during the last few years, this is mainly accounted for by one article—automobiles—and the many commodities which Canada manufactures and which Bolivia uses have in the main come from the United States, the United Kingdom and Germany.

Bolivia is one of the two countries of the American continents which possesses no seacoast and as a result the imports and exports pass mainly through the Pacific ocean ports of Arica and Antofagasta in Chile and Mollendo in Peru, all three of which have rail connections with La Paz, the capital of the country. In addition, travellers may reach Bolivia both by way of the Amazon and from the Argentine via La Quiaca-Atoche route. The Republic is bounded on the north and east by Brazil, on the south by Paraguay and Argentina and on the west by Chile and Peru. Its area is largely unsurveyed; estimates vary from 473,560 to 704,105 square miles. It has a population of approximately 2,889,970 or 3.38 per square mile, the most sparsely populated of all the South American republics. The whites number approximately 250,000, mestizos 550,000, Indians 1,600,000, and wild forest Indians 130,000. With this large percentage of aborigines and those of mixed blood the market is not

so important as the figure for the total population would seem to indicate, but it is nevertheless of considerable value to those interested in the furtherance of Canada's trade abroad.

Every variety of climate and product can be found in Bolivia, a country with so many different elevations. A rise of a mile above sea level is equal to travelling 2,000 miles north or south of the equator and as a result many products peculiar to both the tropics and the temperate zones are grown while the climatic conditions of many sections of the country are decidedly favourable to the people of the temperate zones. So healthy is the climate that there are more centenarians in proportion to the population in Bolivia than in any other country in the world.

THREE DISTINCT REGIONAL DIVISIONS

Bolivia may be divided into three distinct regions, the topography of each of which has a decided effect on the life and industry of its inhabitants. The first, or mountain region, comprises a vast central plateau of 40,000 square miles, extending north and south for over 500 miles between two ranges of the Andes mountains and is at an altitude of around 12,000 feet. Because of the height the climate is somewhat chilly and vegetation sparse, yet it is here that the principal mineral wealth is located and the chief centres of population exist.

The second or "yungas" division includes the eastern slopes of the Andes and their eastern offshoots—a region of deep, fertile valleys. The climate here is the most salubrious of all Bolivia; rainfall is abundant and vegetation correspondingly luxuriant. It is estimated that fully 90 per cent of the republic's population inhabit these and the higher plateau regions. Agriculture is the principal industry and coca, coffee and oranges are the principal products.

The third division comprises the lowlands of Bolivia, a vast extent of tropical plains and *silvas*, lying between the eastern slopes of the cordilleras and the Brazilian and Paraguayan frontiers. The northernmost portion of this region is popularly called the Bolivian Amazonia, and consists of a large forested area in which rubber trees thrive. The southern portion is largely uninhabited prairie land, capable nevertheless, if provided with transportation facilities, of considerable development for agricultural and grazing purposes.

NATURAL RESOURCES, INDUSTRIES, ETC.

With such a range of climate it is not surprising that the crops are varied. These include wheat, corn, beans, manioc, bananas, potatoes, barley, rice, olives, almonds, cocoa and coffee. Balsam, vanilla, copal and sarsaparilla are among the medicinal plants. Its forest wealth embraces several varieties of mahogany, rosewood, vegetable silk trees, Spanish cedar, *lignum vitae*, ebony and other woods for industrial and cabinet purposes, some of them attaining a height of 150 feet and a thickness of 20 feet.

Bolivia has a world monopoly in the production of that valuable mineral, bismuth, and is the second tin-producing country in the world, following very closely after the Malay States. Her production of para rubber is enormous. Oil has also been discovered and is being worked on a large scale, while Bolivian antimony was largely used in the manufacture of shrapnel in the Great War. For a quarter of a century the tin industry has been in existence and from the small production of 1,000 tons in 1898 the output has grown to nearly 30,000 tons in 1924 or slightly less than one-quarter of the world's supply. Bolivia is the only country on the continent which possesses this metal and in addition it is a large producer of copper and silver, the silver mines at Potosi being world famous in the days of the Spanish occupation.

Bolivia is not an industrial country, nor is it probable that it ever will be. The essential primary materials coal and iron are both lacking, and since the great altitude makes the cost of importing these almost prohibitive the prospects for development are not bright. There are a few factories making such articles as cigarettes, soap, and chocolates, but for the great majority of its requirements the republic has to depend on imports from foreign countries, and there is no reason why Canada should not have at least a share of these much larger than she is at present enjoying.

The country has a gold standard of currency. The boliviano is the unit of value, being equivalent to \$0.389 in United States currency, 12½ boliviano being equal to one pound sterling. In addition English and Peruvian pounds circulate freely and are legal tender, while paper money and silver coins are also in circulation.

The total foreign trade of the republic for the year 1922, according to the report of the Minister of Finance and Industry, amounted to 147,861,690 bolivianos, represented by imports to the value of 53,092,129 bolivianos, and exports of 94,769,561 bolivianos. The figures for the preceding year were: imports, 70,853,152 bolivianos; exports, 66,919,444 bolivianos.

EXPORT TRADE

The United Kingdom and the United States are the principal purchasers of Bolivian goods, absorbing on the average approximately 90 per cent of the total. The neighbouring republics of Brazil, Argentina, and Chile are also important customers.

The commodities exported are entirely the products of the extractive industries, with the mineral tin, easily the most important item, accounting for 70 per cent of the total exports for the last ten years. In order of importance tin is followed by silver, copper, rubber, bismuth, lead, cocoa, hides and antimony. Exports to Canada have been negligible, being valued at \$3,029 in 1924 with none at all registered in 1923 or 1922.

IMPORT TRADE

Bolivia imports a wide range of articles such as are required by a new and non-industrial country with a population of nearly 3,000,000 people who are largely illiterate and have a low standard of living and a low purchasing power. It depends also on foreign countries for the many requirements necessary to further the development of its growing mining industry and the building of its railways.

Wheat flour is one of the principal commodities imported in large quantities. In 1922 out of a total of 38,058,610 pounds brought in, Chile supplied about 60 per cent, the United States 25 per cent, and Argentine, Brazil, Peru, and Paraguay the balance. Sugar consumed in the same year, amounting to approximately 19,600,000 pounds, was supplied principally by Peru. Lumber for construction purposes and wooden railway ties are largely of United States and Chilean origin. Many other items such as Portland cement, paraffin wax, glass bottles, articles of food, hardware and tools, mining machinery, electrical goods, wire, sheet iron, and explosives find a fair market at all times and could be shared in to a preponderant extent by Canadian exporters.

The total imports, by commodities, for a good average year, 1922, in pounds avoirdupois, are as follows:—

Automobiles, etc., 253,065; barley, 5,262,605; bricks and mosaics, 771,631; candles, 92,956; calamine, 869,010; cassimeres, 312,335; chemical products, 1,850,059; cloth for women's clothing, 302,383; coal, 49,170,087; crude petroleum, 26,504,625; cotton goods, 892,161; dynamite, 1,409,830; farming tools, 272,947; food and drink n.o.p., 12,854,144; forage, 850,034; gasoline and naphtha, 1,592,147; glass bottles, 2,207,336; glass for con-

struction, 401,959; gunney for sacks, 1,410,919; live animals, 5,262,605; lumber for constructional purposes, 16,829,413; kerosene, 3,267,304; mechanics' tools, 179,879; mining machinery, 3,641,803; manufactures of iron n.o.p., 501,967; manufactured articles n.o.p., 24,205,908; mineral oils n.o.p., 1,448,385; newsprint, 729,614; paper n.o.p., 662,654; Paraffin wax and stearin, 2,444,893; Portland cement, 10,043,813; powder and explosives, 565,249; railroad ties, 3,753,116; raw materials n.o.p., 2,481,790; rice, 6,714,034; sheet iron, 588,439; soap, 854,061; sugar, 19,625,851; tocuyo, 1,923,322; wheat flour, 38,058,610; wallpaper, 56,153; woven cotton cloth, 1,117,580; wire nails, 168,443; wire n.o.p., 752,943.

The following are a number of commodities which are of interest to Canadian exporters, showing the total imports and the imports from the principal countries of origin, in tons, for the year 1921, the latest detailed figures available:—

Food Products and Beverages

Preserved Meats, 24: United States, 9; France, 4; United Kingdom, 5.
Lard, 152: United States, 104; Brazil, 32; United Kingdom, 10.
Condensed Milk, 68: United States, 44; Chile, 16.
Butter, 20: Denmark, 3; Argentine, 7; Peru, 5.
Preserved Scallops and Mollusks, 166: United States, 82; Chile, 49; United Kingdom, 10.
Sardines, 151: Spain, 56; United States, 44; Argentine, 15.
Wheat, 180: Chile, 178.
Wheat Flour, 12,279: Chile, 8,794; United States, 2,139; Argentine, 1,017.
Vegetables, Canned, 195: Chile, 127; United Kingdom, 20; France, 18.
Fruits, Preserved, 58: Chile, 23; United States, 15; United Kingdom, 14.
Confectionery, 56: United States, 22; United Kingdom, 18.
Crackers and Biscuits, 81: United Kingdom, 28; Chile, 17; Brazil, 11.
Spirits and Liquors, 147: United Kingdom, 85; France, 29; Chile, 9; Spain, 13.

Raw and Slightly Wrought Materials

Building Lumber, 5,594: United States, 4,371; Chile, 1,113.
Iron and Steel, 474: United States, 207; United Kingdom, 83; Germany, 94.
Cement, 7,905: United States, 5,060; United Kingdom, 817; Chile, 1,228.

Manufactured Articles

Soap, Common, 308: United Kingdom, 259; United States, 18; Brazil, 21.
Paints and Varnishes, 261: United States, 92; United Kingdom, 69; Peru, 18; Chile, 23.
Chemical Products, 605: United States, 148; United Kingdom, 123; France, 14; Chile, 206.
Proprietary Medicines, 107: France, 27; United States, 35; United Kingdom, 22.
Boots and Shoes, 12: Argentine, 2; Chile, 4; United States, 1.
Bags for Ore, 619: United Kingdom, 376; India, 122; United States, 77.
Manufactures of Wood n.o.p., 214: United States, 87; United Kingdom, 61; Chile, 34.
Paper Print, 287: United States, 131; Chile, 84.
Paper, Writing, 167: United States, 52; Germany, 63; United Kingdom, 16.
Paper, all other, 143: United States, 29; Germany, 32; United Kingdom, 15; Chile, 15; France, 13.
Sheet Iron, 1,064: United Kingdom, 482; United States, 339; Chile, 154.
Wire, 370: United States, 180; Chile, 69.
Railway Material, 867: United States, 693; United Kingdom, 96; Germany, 37; Chile, 31.
Iron Tubing, 590: United States, 382; United Kingdom, 104; Chile, 89.
Electrical Machinery, 854: United States, 376; United Kingdom, 155; France, 114; Germany, 85; Sweden, 53.
Mining Machinery, 2,108: United States, 1,109; United Kingdom, 543; Germany, 254; Chile, 197.
Agricultural Machinery, 115: United States, 65.
Artisans' Tools, 155: United States, 53; United Kingdom, 47; Germany, 38.
Agricultural Implements, 178: United Kingdom, 85; United States, 47.
Automobiles and Parts, 108: United States, 77; Chile, 10; France, 6.
Railway Carriages and Cars, 438: United States, 358; United Kingdom, 69; Germany, 5.
Explosives for Mines, 74: United States, 43; United Kingdom, 25.
Dynamite, 425: United States, 356; Chile, 56.

Exports of Canadian merchandise have increased in value from \$12,329 in the fiscal year 1923 to \$62,235 in 1924 and to \$72,354, while for the first six months of the present year they have risen to \$100,847, the largest figure since

1921, when they amounted to \$126,924, this large sum being due to extensive shipments of Canadian explosives, which totalled \$105,000. By commodities the exports of Canadian products, together with their values in dollars, are as follows:—

Canvas shoes with rubber soles, \$96; pneumatic tires, casings, \$76; inner tubes, \$18; salmon, canned, \$2,428; cotton underwear, \$325; silk and manufactures of, \$48; woollens n.o.p., \$391; iron pipe, \$235; razors, \$133; autos, passenger—\$500 each or less, \$18,763; \$500 to \$1,000 each, \$7,752; over \$1,000 each, \$38,144; auto parts, \$153; scales, \$235; aluminium bars, \$2,729; calcium carbide, \$825.

SELLING METHODS

A number of large importing houses, mostly of foreign nationality, and with branches or agencies located in all the more important commercial centres, are potent factors in selling in Bolivia. Long delays and the element of risk have deterred many of the smaller concerns from attempting direct importation although this has been greatly facilitated by the ease with which favourable credit terms may be arranged with some foreign houses as well as with the local banking institutions.

All of the larger importing houses carry heavy stocks of a wide range of merchandise. Local stocks are essential in most cases as quantities sold to retailers are often very small and they must be quickly replenished when necessary. All of these houses accept indent business and many of them act as manufacturers' exclusive representatives, selling from stocks or, in some cases, from catalogues and samples. Taking into consideration their country-wide ramifications these are undoubtedly the best media through which to work in many lines of business.

There is very little business done by manufacturers' representatives selling strictly on a commission basis. The scattered commercial centres, the labour involved in pushing a line, and the high cost of living coupled with the limited volume of this type of business available, make it unprofitable for individuals with limited capital to engage in this kind of business to the same extent as elsewhere. There are few houses acting as agents for foreign firms or importing for them which devote themselves to a single line or group of articles, hence specialist representatives cannot be secured if good connections are expected. In addition to local buying, many of the mines which are among the largest single purchasers have purchasing officers abroad through whom they contract for the majority of their requirements.

No single selling policy can be outlined which would be applicable to selling all articles in all sections of the country, and this is obviously dependent on the nature of the commodity offered and the type of customer to be reached. The problem is one requiring careful study and a good knowledge of the means available as the Bolivian is in many ways extremely conservative and is little inclined to change either his source of supply or the type of merchandise purchased. It should be borne in mind that the Bolivians do not fully appreciate quality over appearance, and a well finished article, even though of much inferior quality, will have a much larger first sale than one at the same price of better quality but unattractive appearance. Repeat orders will also often be given for a showy article, although it may have been demonstrated that an equally priced substitute will last longer or serve the purpose better.

As is the case with many of the South American countries, advertising is not highly developed. With a percentage of illiteracy which is over 70, printed advertisements have only a limited scope and window displays and exhibits have not reached a high point of value. The daily newspapers of La Paz have a fairly wide circulation throughout the country, while other papers published in the other cities have a more local sphere. Poster and street advertising are

used to a certain extent in some of the towns, but public opinion is largely formed by verbal recommendations of the merchants, particularly regarding the articles used by the illiterate class.

An aggressive sales campaign would have to make a dual attack, the first directed at the educated classes, the mines and the large purchasers who can appreciate quality and to whom written advertising will appeal, and the second at the illiterate by personal solicitation, and through the medium of the small merchants by the means of samples or some similar and equally effective, though perhaps less costly method.

CREDIT

The question of credit needs very careful consideration when selling to Bolivia, and on the whole the rigidity which may be used in the neighbouring republics should not be applied. The American and European systems differ largely in that the former somewhat restrict their terms while the latter are inclined to be more liberal and take more risk, which in the long run probably pays as there are many importers who are willing to give a higher price in return for more extended credit terms.

In dealing with European firms consignment and open account selling is frequent, and where drafts are employed it is a comparatively simple matter to secure their renewal. In addition, their representatives have wide authority to intervene on behalf of their customers, adjust their complaints and assure them satisfaction. This coupled with the fact that individual problems of clients are given serious consideration by European suppliers, even though orders are small, goes far towards explaining the increase in their business during the last few years.

On the other hand, United States exporters seldom grant more than ninety days' sight, and in some cases when the relationship is old established and there is a feeling of confidence, renewals for from thirty to sixty days may be granted under special circumstances. Consignments are practically unheard of and cash sales are very limited.

To what extent Canadian firms should be urged to adopt the one policy or the other depends on the class of merchandise: the wisdom of extending over-lavish credit is doubtful and, needless to say, the consignor should know something of the reliability and standing of the Bolivian importer before making shipment.

PACKING, TARIFF, ETC.

In packing for the Bolivian market it should be borne in mind that first of all the goods have to cross the equator, and in the second place have to be lightered ashore at the Chilian or Peruvian port of disembarkation. The internal transportation system of the country consists of a railway system with a totally inadequate mileage, many navigable rivers, the largest lake on the continent and many rough highways, some of which are little better than trails with mules and llamas affording the chief means of transportation. Articles destined for the republic should therefore be prepared for all extremes of temperature, rough handling and carrying on the backs of animals.

Generally speaking, the Bolivian tariff is for revenue only and is of single column structure, all exporting nations paying the same duties. Spanish is the language of the country and all correspondence, catalogues and literature should be in that tongue. The metric system of weights and measures is in use.

There is no direct steamship connection between Canada and the entre-ports of the republic. As in the case with the other west coast republics of South America, goods must be shipped from New York to San Francisco, either direct or to Panama canal points for transshipment to coasting steamers.

As there is no Canadian trade representative in Bolivia, inquiries from interested Canadian firms should be directed to the Secretary of the British Legation at La Paz.

ECONOMIC SITUATION IN THE NETHERLANDS

TRADE COMMISSIONER FREDERICK H. PALMER

Rotterdam, December 9, 1925.—The outstanding feature of present-day Dutch social and economic activity is the unsettled political situation, and the uncertainty in the political situation has been accompanied by a quiescent period in Dutch business, for which, however, it has not been wholly responsible. Fair business is in the main being done at present and the profitable harvests, particularly of sugar-beets and potatoes, with the recent colder weather and seasonable buying, have all tended to keep unemployment at its desired low levels.

The sore spot in Dutch commerce to-day is the poor position of one of its main constituents. Shipping has not fulfilled its promise of the early months of the year, and to-day, although the total tonnage of the preceding eleven months exceeds past records, the traffic through Rotterdam during both October and November is conspicuously less than during the same months for 1924.

For the first eleven months of this year 12,749 vessels of 18,681,139 net registered tons entered the New Waterway, as compared with 10,683 ships of 15,584,693 tons during the same period of 1924.

During the month of October 1,133 ships of 1,632,436 tons passed the Hook of Holland inward bound, as compared with 1,140 vessels of 1,671,467 tons in October, 1924. The decline during November was still more serious, for only 1,153 ships of 1,640,380 tons entered the New Waterway as compared with 1,504 vessels of 1,696,628 tons during November last year.

The two main factors responsible for this decline are decreased arrivals of bread grains for up the Rhine and the practical disappearance of distressed German-mined coal for export. The loss of the latter traffic has been in a small measure offset by imports of English coal. Only 240,000 tons of grain were handled during October, about half the quantity transhipped in October, 1924. Up to the end of October about 150,000 tons of the grain imported was Russian, but with the temporary failure of the Russian Grain Export Commission to function this traffic has practically disappeared.

The economic position of the Netherlands, closely linked as it is with that of the nations surrounding it, has no doubt been affected by the circumstances leading up to the signing of the Treaty of Locarno. While any immediate results from a business point of view will not be overrated in Holland, there is a widespread tendency to seize the favourable opportunity afforded by ratification and improve upon and consolidate such results. For instance, Dutch financial thought is again being directed to the desirability of permitting the inclusion of German loans in the official quotations of the Amsterdam Exchange.

POSITION OF THE NEDERLANDSCHE BANK

Adhering to its accepted policy of international co-operation, the Netherlands Bank (State Bank of Issue) followed the Bank of England on October 3 and reduced its bank rate to $3\frac{1}{2}$ per cent. Whether the directors will again follow the Bank of England and raise its rate to 4 per cent remains to be seen. An interesting feature of recent date was the decision of the Netherlands Bank to exchange paper money for gold and on November 27 gold ten guilder pieces came into circulation for the first time in eleven years.

Dutch currency has for months past been a stable commodity, the New York rate only varying between $2.49\frac{1}{16}$ florins and 2.48 florins since May 1.

The note circulation of the Netherlands Bank continues fairly stable between 880 and 890 millions, although month-end requirements carried this figure to above 900 millions.

The metal cover of the note issue remained fairly stationary at 442 millions until towards the end of October, when it commenced to increase. At

the end of November the metallic cover amounted to over 480 millions, but on December 7 it was reported to have been reduced slightly to 477,454,009 florins.

FINANCIAL AND INDUSTRIAL SITUATION

New issues, domestic and foreign, governmental and industrial, continue to appear before Dutch investors, and it would seem that the public are not inclined to be satisfied with any further reduction in the rate of interest being offered on long-term loans. Attention is presently being directed to stocks which promise a larger percentage and yet are considered safe, and also to foreign requests for loans. For example, several Dutch industrial and East Indian companies have increased their capital recently, making attractive offers to investors.

DUTCH FOREIGN TRADE

The month of October was remarkable in the foreign trade of the Netherlands for a tremendous increase in imports. The value of the imports was 254,633,147 florins, as compared with 218,000,000, 192,000,000 and 187,000,000 in October 1924, 1923 and 1922 and with 194,000,000 in September.

On the other hand, the value of the exports declined from 177,746,983 florins in September to 163,026,075 florins and as compared with 173,000,000, 126,000,000 and 112,000,000 in the month of October of the three preceding years.

Holland's total trade for the first ten months of the year is much greater than any year since 1921. Exports reached the total value of 1,517,993,110 florins as compared with 1,365,000,000, 1,049,000,000 and 1,016,000,000 in previous years, while total imports during this period were valued at 2,051,240,598 florins as compared with 1,926,000,000, 1,658,000,000 and 1,692,000,000 for the first ten months of 1924, 1923 and 1922 respectively.

MACHINERY MARKET IN CHINA

TRADE COMMISSIONER L. M. COSGRAVE

Shanghai, November 26, 1925.—Recent investigations of the Chinese market for machinery of various kinds manufactured in Canada tends to emphasize the fact that Canadian manufacturers might, with profit, study the possibilities of this important and growing part of the world both from the standpoint of staple machinery and the equipment of the numerous industries which are now developing throughout the whole of China due to the introduction of western methods and the undoubted necessity for China to manufacture for her own needs from her immense supply of raw materials.

For many years prior to the War, China's machinery requirements were supplied almost solely by a few far-seeing and aggressive firms, chiefly British, who had made a close study of this market, and who realized that in spite of the conservatism of Old China and by virtue of its long established commercial importance and huge population, it could not help developing into a major industrial area.

Western manufacturers are prone to consider China a difficult market to enter in specialized products such as machinery owing to the cheap hand labour available and the necessity of a thorough knowledge of China's characteristics and customs, but the success of other nations such as Germany, Belgium, France, Denmark, Sweden and the United States in the machinery field during the past ten to fifteen years shows, unmistakably, that China has definitely entered the industrial field, and under anything like normal conditions will become one of the world's largest consumers and users of machinery of all kinds.

To those who have not made a study of China's imports of machinery and who, therefore, are prone to assume that the bulk of China's supply is produced in either Great Britain or the United States, the writer would refer to the following figures taken from the official Trade Returns for 1924 of machinery and parts thereof, other than agricultural, textile and propelling. The exporting countries and the value of imports in Haekwan Taels is as follows: Hong Kong, 529,310; French Indo-China, 1,158; Singapore, Straits, etc., 132,974; Dutch Indies, 10,646; Great Britain, 3,119,563; Norway 21,351; Sweden, 169,489; Denmark, 135,194; Germany, 2,738,184; Netherlands, 265,198; Belgium, 449,940; France, 104,389; Italy, 206,258; Korea, 36,679; Japan (including Formosa), 1,898,008; Canada, 201,147; United States (including Hawaii), 3,132,754.

The value of the direct gross import in 1924 was 13,190,273 Hk. Tls.

It will be seen from the above that the machinery trade of China is world wide, and that the presence of aggressive and well equipped representatives from many countries has resulted in sizeable and undoubtedly growing orders.

Agricultural machinery, which amounted in 1924 to a total of Hk. Tls. 298,000 (Hk. Tl. 1 equals 80 cents Canadian), shows a reduction over past years, but this is ascribed entirely to the many civil wars which have occurred continually since the institution of the Republic, but, in this commodity, competent observers feel here is an unlimited field under normal conditions. China is essentially an agricultural area, and though the Chinese farmer is probably the most conservative element in this country, and the last to change from the primitive methods of his predecessors, the steady pressure of Western influence, and the rise in the standard of living will undoubtedly call for more economic methods of production and the development of larger areas by agricultural companies.

It is noted, however, that even in this commodity imports are fairly evenly divided between a number of European suppliers on the one hand, and Japan and the United States on the other, while Canada's supply of agricultural machinery has been practically nil.

The same remarks apply to propelling machinery such as boilers, turbines, etc., in which imports amounted to approximately Tls. 2,000,000 in 1924, and of which, though Great Britain was the largest individual supplier, Germany, the Netherlands, Sweden, Japan and the United States indicated that they are definite exporters and are securing a steadily growing trade.

Machinery for the textile industry such as carding, colour-printing, weaving, spinning, etc., is an extremely important item in China's imports varying in the past three years from six million Taels to thirty million Taels, and it is a foregone conclusion that, with the type of labour in China which is eminently suitable for this type of industry combined with the steady growth in her raw cotton production, this industry is destined to become one of China's most important commercial developments.

In connection with the above comments it is important to realize that the industrial development of China and her imports and equipment for such industries is not confined to such important centres as Shanghai, Tientsin and Canton, but in proportion is evident throughout the whole of China, particularly on the Pacific side. The recent industrial growth of such centres as Dairen in Manchuria, Kiachow in North China, Hankow, the gateway to the Yangtze Provinces, Foochow, Amoy, and Swatow in South China, and Chingking, the distributing centre for West China, indicates a wide awakening of New China to the advantages of western and more up-to-date methods of production.

When it is further realized that few countries now supplying China are so advantageously located from a transportation standpoint as is Canada, it appears to the writer that Canadian manufacturers would be well advised to give serious thought to the possibilities of future trade with this important consuming area.

Undoubtedly the most successful foreign firms in China are British, American or European and have been those who have established their own offices and maintain experienced factory representatives who are in a position to immediately rectify breakages and instruct Chinese operators in all types of machinery which are not altogether fool proof.

On the other hand, however, many firms are unable to bear the initial expense of this method, and arrange for one of the established engineering firms who are well known and well connected throughout China, to represent them on an exclusive agency basis, providing consignment stocks and in many cases sharing the expense of a factory representative who is thoroughly au fait with the manufacture and factory procedure of the firm concerned. The third method, termed in China the testing method, is the appointment of a reputable agent on a commission basis supplied with samples only, catalogues and illustrated literature showing installation and kind of machinery concerned who in many cases can definitely test the possibilities of the China market for a period of one to two years, and thus provide sufficient data on which the manufacturer can base his future procedure.

Chinese business methods, however, present so many new angles which are not found in other countries that it is extremely difficult, and in many cases impossible to successfully place a specialized commodity such as machinery on the market by correspondence alone. Trade offices such as this, are in a position to supply extremely useful data, information, and introductions, and can, in many cases succeed in interesting reputable firms in the possibilities of the manufacturer's machinery, but to secure the whole hearted co-operation of such importing firms and efficiently discount future failure, unnecessary expense, misunderstandings and wrong business methods, it is almost imperative for a responsible official of the exporting firm concerned to personally analyse the situation on behalf of such firm.

The writer has discussed this question at length with numerous machinery houses on this side, and though they have evinced a very definite interest in Canadian machinery of various kinds, they invariably stress the necessity of personal contact before entering the China market.

The disturbed condition of China in the past few years has undoubtedly tended to discourage manufacturers from serious consideration of this market, and press reports throughout the world would appear to strengthen this tendency, but it must always be borne in mind that China is so vast and so loosely knit politically that disturbances in one part of the country have little or no effect on the remainder, and even during the rather serious disturbances of the past few months in this important port, Shanghai, selling and buying continued almost normally, and shipments to the more remote interior points, only, were definitely affected.

The Chinese merchant and industrialist is probably the most adaptable individual in the world, and allows practically nothing but the "acts of God" to interfere with his business dealings, and though civil wars and disturbances may cause him to refrain from placing large future orders, he will purchase practically the same amount in smaller lots.

Canadian manufacturers may feel that the present time is hardly propitious to advocate the extension of their interests to China, but in recent interviews between the writer and competent observers, not only is the present time opportune but the fact is stressed that highly important changes in China's status as an industrial and commercial country are imminent.

The important conferences between the world Powers and China now taking place on Tariff, Extraterritoriality, Extension of transportation facilities, and Opening of New Ports, all point to a vast increase in the productive and consuming capacity of China as a whole.

It is evident, therefore, that those firms who have secured a footing even of a limited nature in this market are destined to share in this trade, and each new competitor will of necessity find conditions more difficult, and competition more keen.

The foregoing comments on the machinery market in China are of necessity extremely general, but the writer will be glad to furnish more detailed data to individual manufacturers on the prospects, competition, and trade in their respective commodity at any time, and is in a position to supply names of responsible firms specializing in their type of commodity.

COMMERCIAL AGREEMENT BETWEEN GERMANY AND SWITZERLAND

TRADE COMMISSIONER L. D. WILGRESS

Hamburg, December 15, 1925.—A temporary commercial agreement with Switzerland, which was signed on November 6 and since duty ratified, is designed to bridge over the period pending the conclusion of a trade treaty between the two countries. The agreement can be terminated at a month's notice any time after February 1, 1926. A schedule is appended to the agreement, which guarantees to Swiss products certain maximum rates of duty on import into Germany during the period covered by the agreement. The schedule affects seventeen items of the German tariff and the following summary indicates those of chief interest to Canada:—

Tariff Item No.	Description	Duty under agreement with Switzer- land		General Duty
		Reichsmarks per 100 kg.	Reichsmarks per 100 kg.	
ex 135	Cheese in single packages of 2½ kg. gross weight or less.. . . .	30.00		40.00
	Hard Cheese in mill-stone form, 40 kg. at least in weight.. . . .	22.00		30.00
ex 204	Chocolate, including milk chocolate in any form.. . . .	140.00		200.00
20½	Milk, thickened, with or without sugar.. . . .	40.00		60.00
ex 316	Calcium Carbide.. . . .	4.25		5.00

(NOTE: 1 Reichsmark = \$0.238 and 100 kg. = 220 pounds.)

CONVENTIONAL DUTIES UNDER GERMAN TREATY WITH ITALY

TRADE COMMISSIONER L. D. WILGRESS

Hamburg, December 15, 1925.—The German-Italian Commerce and Navigation Treaty, which was signed on October 31 last and which becomes effective to-day, provides for a schedule of lower conventional rates of duty, which is more extensive than that of any other commercial treaty so far concluded by the German Government. Altogether 132 out of the 946 items of the German tariff are affected by the treaty.

The lower conventional rates of duty provided for by the German-Italian Treaty will apply to all goods imported from countries having most-favoured-nation agreements with Germany, such as Great Britain and the United States, but Canadian products will continue to be subject to the higher general rates of duty under the new tariff which became effective on October 1 last.

A number of products of interest to Canadian trade are affected by the new schedule of conventional rates, appended to the German-Italian Treaty. The following is a summary of some of the items affected, which are likely to be of importance to Canadian trade with Germany, both the new conventional rates and the general rates of the German tariff being shown:—

Tariff Item No.	Description	Conventional Duty	General Duty
		Reichsmarks per 100 kg.	Reichsmarks per 100 kg.
18	Red Clover Seeds and Lucerne Seeds.. . . .	3.50	18.00
	Other Clover Seeds.. . . .	6.00	18.00
ex 47	Apples, fresh:		
	Unpacked:		
	From Sept. 25th to Nov. 25th.. . . .	2.00	6.00
	From Nov. 26th to Dec. 31st.. . . .	2.00	8.00
	From Jan. 1st to Sept. 24th.. . . .	4.50	8.00
	Packed:		
	In sacks only of at least 50 kg. gross weight from Sept. 25th to December 31st.. . . .	2.50	15.00
	In other packing.. . . .	7.00	15.00
ex 135	Cheese, not in single packages of 2½ kg. or less:		
	Stracchino, Gorgonzola, Parmesan, Ciocavallo, Provolone, Montasio and Pecorino.. . . .	20.00	30.00
	Belpaese.. . . .	25.00	30.00
ex 136	Eggs.. . . .	5.00	6.00
ex 208	Milk Powder without sugar.. . . .	40.00	60.00
ex 219	Sardines in air-tight containers.. . . .	30.00	75.00
	Canned Tomatoes.. . . .	15.00	75.00
	Fruits in air-tight containers without sugar.. . . .	50.00	75.00
ex 574	Inner rubber tubes for vehicle tires.. . . .	125.00	240.00
ex 578	Solid vehicle tires of rubber.. . . .	100.00	360.00
	Casing for vehicle tires.. . . .	125.00	360.00
ex 915	Motor cars of net weight:		
	From 250 to 500 kg.. . . .	250.00	250.00
	From July 1st, 1926.. . . .	225.00	225.00
	From January 1st, 1927.. . . .	200.00	200.00
	From July 1st, 1927.. . . .	150.00	150.00
	From January 1st, 1928.. . . .	100.00	100.00
	From July 1st, 1928.. . . .	75.00	75.00
	From 500 to 900 kg.. . . .	175.00	250.00
	From July 1st, 1926.. . . .	175.00	225.00
	From January 1st, 1927.. . . .	175.00	200.00
	From July 1st, 1927.. . . .	150.00	150.00
	From January 1st, 1928.. . . .	100.00	100.00
	From July 1st, 1928.. . . .	75.00	75.00
	From 900 to 1200 kg.. . . .	180.00	250.00
	From July 1st, 1926.. . . .	175.00	225.00
	From January 1st, 1927.. . . .	180.00	200.00
	From July 1st, 1927.. . . .	150.00	150.00
	From January 1st, 1928.. . . .	100.00	100.00
	From July 1st, 1928.. . . .	75.00	75.00
	From 1200 to 2200 kg.. . . .	200.00	250.00
	From July 1st, 1926.. . . .	190.00	225.00
	From January 1st, 1927.. . . .	175.00	200.00
	From July 1st, 1927.. . . .	150.00	150.00
	From January 1st, 1928.. . . .	100.00	100.00
	From July 1st, 1928.. . . .	75.00	75.00

No conventional rates are provided for motor cars weighing over 2,200 kg. net.

CANADIAN OPPORTUNITIES IN PERU

To those unacquainted with recent developments, the story of the latest agricultural, industrial, and transportational achievements of Peru constitutes a new chapter in the romantic history of one of the most interesting countries in the world, says the *Bulletin* of the Royal Bank of Canada. In 1924 Peru produced 300,000 tons of sugar with a value of \$29,000,000, and \$24,000,000 worth of cotton, and millions of dollars worth of copper and petroleum as well as gold and silver are being exported annually. The paved streets of Lima, recent bond issues amounting to millions of dollars for the sanitation works of Huacho and Lima, the four thousand kilometres of railroad now under construction and Oralla with the largest smelting plant in the Americas, constitute modern touches which are characteristic of recent developments in the "Land of the Incas."

Since Peru imports large quantities of the goods which Canada desires to export, such developments have particular interest. In the past Great Britain

and the United States have dominated this trade, but there has recently been manifested a desire to cultivate new trade relations. There are many types of commercial activity in which Canadians might take an interest.

In 1923, when 20,000 tons of Canadian wheat was imported into Peru, it was bought in the United States. Only a small proportion of the materials, including ties for the new Peruvian railroads, has come from Canada. Peru furnishes a good market for fibre and textile products, particularly silk. A Belgian concern recently secured a single order for 50,000 barrels of cement. Dried codfish and hake are consumed in practically every household, so that it should not be difficult to gain a market for Canadian fish, while the market for cheese, butter, condensed milk, canned fruits and vegetables is at present largely controlled by the United States.

Argentina and Chile are making increasing efforts to compete in supplying Peru with foodstuffs, while there is increasing competition from Great Britain in textiles and from Germany in electrical machinery and other electrical goods. The recent opening of a broadcasting station has started a trade in radio supplies which promises to become quite active. As the Government only permits the importation of 50 per cent of the radio supplies from the United States, this has meant a decided opportunity for British goods in this line.

If consistent efforts are made to develop the relationship, Peru may eventually become one of Canada's best South American customers.

Peruvian imports first six months 1925 ending June 30:—

Oregon pine and similars, 2,787,613 square metres*; yellow, red, white pitch pine, 42,153 square metres; wire, with or without barbs, 897,390 kilos†; cast-iron baths, enamelled porcelain, 111,223 kilos; cast-iron pipes and couplings, 5,056,924 kilos; steel and wrought iron pipes, 2,491,798 kilos; steel and iron pipes for agriculture, 7,710,279 kilos; lead pipe, 63,198 kilos; stopper discs for bottles, 70,334 kilos; nails up to 15 mm. long, 9,509 kilos; staple nails up to 25 mm. long, 62,306 kilos; staple nails over 25 mm. long, 901,243 kilos; horse shoe nails, 23,629 kilos; scrap iron for bailing, 281,756 kilos; coal (hard), 14,202,249 kilos; coke, 1,314,174 kilos; cement (Portland), 28,538,595 kilos; fire bricks, 1,196,255 kilos; broom handles, 5,867 kilos; box shooks, 4,209,960 kilos; paper for news prints, 1,525,076 kilos; oats, 818,256 kilos; wallpaper, 101,141 kilos; barley, 1,588,587 kilos; canned vegetables, 162,052 kilos; canned meats, 205,089 kilos; candy of all kinds, 238,477 kilos; canned fruits, 171,968 kilos; dried fruits, 9,241 kilos; biscuits, crackers, cakes, 76,909 kilos; flour (from wheat), 1,934,900 kilos; canned milk and cream, 2,420,862 kilos; hops for brewery, 32,470 kilos; lard (pure hog), 2,549,938 kilos; butter, 446,564 kilos; dried and smoked fish, 95,137 kilos; cheeses, 161,826 kilos; salmon, 130,797 kilos; sardines, 329,651 kilos; wheat, 30,442,876 kilos.

* One square metre has more or less ten board measure feet.

† One thousand kilos equal 2,200 pounds.

LICENSES CONSOLIDATION IN SOUTH AFRICA

ASSISTANT TRADE COMMISSIONER R. S. O'MEARA

Cape Town, November 21, 1925.—The Licenses Consolidation Act of 1925 provides for the licensing of trades, professions, and occupations within the Union, and fixes the fees payable. The Act becomes effective as law on January 1, 1926, and its introduction marks a distinct move towards centralization of control and consolidation of regulations, substituting as it does a uniform system applicable to the whole Union for that previously in force, by which each province imposed such tax or taxes as they saw fit. Some power is still left with the provincial councils under the Provincial Subsidies Taxation Powers Bill, and in the provinces of the Cape and the Transvaal importers' licenses, purely provincial, are still payable.

Canadian manufacturers are interested only in the license fees payable under the Union Act by an agent or representative of a foreign firm, which are as follows:—

Item 1.—Agent of Foreign Firm.

For a yearly license, £75; for a quarterly license, for any period of three months from the date of issue, £50: provided that the duty payable by any such agent who has been ordinarily resident within the Union for three years immediately prior to the taking out by him of any such license shall be half the rates specified: provided further that the duty payable by any such agent who is the bona fide employee of a duly licensed agent of a foreign firm shall be the sum of £15.

(1) This license shall be required by every person in addition to any other license held by him who in any way advertises or holds himself out as the authorized representative or agent of any manufacturing or trading establishment outside the Union or who, whether as principal, agent, or employee of any duly licensed person, actually invites, solicits, canvasses or accept orders for the sale or supply of goods by any such manufacturing or trading establishment to persons in the Union: provided that such license shall not be required by any person by whom such goods are purchased and resold in the ordinary course of his own business.

(2) Every license shall be made out in the name of the person licensed and shall give the name or names of each company, firm or trader represented.

(3) If during the currency of a license the holder is unable to make use of his license the license may on application to any receiver of revenue be transferred to another person on payment of a fee of £1: provided that if such license was issued at a reduced rate in terms of either of the provisos to this item, the difference between that rate and the full rate otherwise chargeable shall be paid in addition by any such transferee who may not be entitled to such a reduction.

The license is thus one carried by the individual and not by the firm. In the case of partnerships, it is payable by each partner; both are held to be foreign agents and neither one the employee of the other. The license is payable without respect to the number of firms represented, and in this particular regard is a new departure from previous regulations. Any agent or factory representative after three years' residence becomes entitled to the reduced rates set out; domicile is not contemplated.

Certain clauses of the Act covering this license for a foreign agent are somewhat obscure and will call for interpretation in practice. The main fact governing operation would appear to be that the person is liable if he advertises or holds himself out to be the representative of an overseas manufacturer or trader, authorized to take orders. The word *canvasses* has never been defined in a court of law but in that visiting factory representatives may be said by *canvass* to stimulate sales, they might become liable under the Act, no matter how brief their sojourn in the country. In practice, however, account is taken by the authorities of the status of the company's sales in the Union, and where the visiting factory representative merely checks up agents already appointed and already paying full licenses, there seems little probability of literal enforcement of the regulations.

It will be seen that this tax, as such, would not apply where goods are marketed on a basis of a sole selling rights held by a merchant house—or where sold otherwise by direct sale. Here the merchant house handling the goods becomes liable for a general dealer's license, and if it employs local travellers must also pay the licenses laid down for them.

Item 2.—General Dealer's License.

(a) Where the average value of stock in hand does not exceed £2,000, £5.

(b) Where the average value of stock in hand exceeds £2,000: Upon so much of such stock in hand as does not exceed £2,000, £5; as exceeds £2,000 but does not exceed £5,000, £1 10s. per £1,000 or part thereof; as exceeds £5,000 but does not exceed £10,000, £2 per £1,000 or part thereof; as exceeds £10,000 but does not exceed £20,000, £2 10s. per £1,000 or part thereof; as exceeds £20,000 but does not exceed £30,000, £3 per £1,000 or part thereof; as exceeds £30,000, £3 10s. per £1,000 or part thereof. Subject to a maximum payment of £100.

(1) This license shall be required by every person who carries on a trade or business in any shop, store or place where goods, wares, merchandise, produce or live stock are sold, bartered or exchanged or offered or exposed for sale, barter or exchange, provided that the trade or business so carried on is not covered by any other license issuable under this Act.

Item 3.—Commercial Traveller's License.

(1) Wholesale, £15.

This license shall be required by every person who is the representative, traveller, agent or employee of any manufacturing or trading establishment carrying on business within the Union and who on behalf of such manufacturing or trading establishment invites, canvasses, solicits, or accepts orders from duly licensed traders for the sale or supply to them of goods, wares or merchandise: provided that such a license shall not be required within the province in which such manufacturing or trading establishment has a place of business.

(2) Retail, £7 10s.

This license shall be required by every person who is the representative traveller, agent or employee of any manufacturing or trading establishment carrying on business within the Union and who on behalf of such manufacturing or trading establishment invites, canvasses, solicits, or accepts orders from persons other than duly licensed traders for the sale or supply to them of goods, wares, or merchandise: provided that such license shall not be required for inviting, canvassing, soliciting or accepting orders within any magisterial district in which such manufacturing or trading establishment has a place of business.

In the event of the holder of a commercial traveller's license, whether wholesale or retail, who is the bona fide employee of the person or firm which he represents becoming incapacitated for any reason from making use of his license, the license may, on application being made by the employer to any receiver of revenue and on the payment of a fee of £1, be transferred for the remainder of the period for which it is current to another employee nominated by such employer.

These licenses must not be confused in any way with the indirect tax on overseas principals in respect of their South African sales. This has been covered fully in a previous report which appeared in *Commercial Intelligence Journal* No. 1141 of December 12, 1925.

IMPORTS OF MEATS AND FISH INTO BRITISH WEST INDIA COLONIES

(Year ended December 31, 1924)

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Colony	Commodity	Total Imports		Imports from—					
				United Kingdom		United States		Canada	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
	Meats	Lb.	\$	Lb.	\$	Lb.	\$	Lb.	\$
Bermuda.....		1,327,187	234,569	28,196	7,484	1,164,112	222,305	22,879	4,784
British Guiana.....		3,156,850	377,201	61,332	16,147	2,869,098	330,726	204,082	26,521
British Honduras.....			188,357		1,333		163,343		23,133
Bahamas.....			231,453		1,290		204,249		1,995
Barbados.....		3,118,630	649,018	112,258	46,700	2,173,238	419,214	822,494	178,733
Grenada.....		202,700	29,969	7,471	3,037	180,027	24,387	15,202	2,535
Jamaica.....		2,507,301	454,040	70,293	19,739	2,274,079	404,079	67,561	14,186
Leeward Islands—									
Antigua.....		269,604	39,794	9,031	1,733	253,217	36,416	7,356	1,645
Dominica.....		76,639	13,218	2,222	2,380	65,281	8,560	9,136	2,278
Montserrat.....		37,830	6,478	600	146	33,250	3,918	8,030	1,654
St. Kitts-Nevis.....		321,945	48,690	1,677	686	303,631	45,260	11,443	1,645
Virgin Islands.....		7,655	1,577			4,186	725		
St. Lucia.....		95,049	14,118	1,873	759	77,011	10,842	13,881	2,068
St. Vincent.....		73,444	10,794	5,512	1,245	45,030	6,307	21,344	3,071
Trinidad and Tobago.....		3,922,760	503,359	107,401	39,775	2,873,362	401,402	475,074	61,734
Total Imports.....			2,802,635		142,454		2,281,733		325,982
Per cent.....			100.0		5.2		81.4		11.7
	Fish								
Bermuda.....			57,996		6,477		12,458		39,060
British Guiana.....		4,844,281	427,215	1,637,069	127,921	166,757	36,103	2,893,869	243,592
British Honduras.....			19,156		205		12,568		5,060
Bahamas.....			20,629		409		16,167		1,854
Barbados.....			553,535		14,955		22,727		217,024
Grenada.....		841,277	73,808	6,047	779	7,976	1,236	518,290	42,802
Jamaica.....		17,917,471	1,629,569	252,674	31,658	255,363	37,341	11,372,722	930,779
Leeward Islands—									
Antigua.....			690,763		45,834		603		680,188
Dominica.....			307,839		868		248		201,964
Montserrat.....			195,660		97		594		180,632
St. Kitts-Nevis.....			709,068		53,508		763		698,582
Virgin Islands.....			5,105		818		184		206
St. Lucia.....			545,918		51,382		198		27,584
St. Vincent.....			462,402		35,385		424		263,971
Trinidad and Tobago.....			5,517,530		336,740		35,059		4,609,753
Total Imports.....			3,578,764		219,421		153,789		2,120,495
Per cent.....			100.0		6.1		4.2		59.2

TENDERS INVITED**Australia**

Copies of tender forms, specification and drawings have been received from Trade Commissioner D. H. Ross, Melbourne, for material required by the Victorian Government Railway Department, Melbourne. The tender forms, specifications and drawings are open to the inspection of interested Canadian manufacturers at the Department of Trade and Commerce, Ottawa (refer to file No. 29077). Tenders in conformity to the specifications should be promptly addressed to the Secretary, Victorian Government Railways, Melbourne, Australia.

Particulars of the requirements are briefly outlined thus:—

No.	Date of Closing	Particulars
39128	Feb. 10, 1926	Supply and delivery of 44 alternating current power point mechanisms, to drawings and as specified.
39184	Mar. 10, 1926	Supply and delivery of one combination hydraulic press and steam hammer complete with all necessary equipment and one set dies and tools, to drawing and as specified.

New Zealand

Copies of plans and specifications have been received from Mr. C. M. Croft, Canadian Government Trade Commissioner at Auckland, N.Z., for equipment required by the Public Works Department, Wellington, and the Auckland Electric Power Board. These specifications and drawings are open for inspection at the Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa. Tenders should be addressed to the Secretary, Public Works Supplies and Tenders Board, Wellington, and the Chairman, Auckland Electric Power Board, in accordance with these specifications.

PUBLIC WORKS DEPARTMENT

No.	Date of Closing	Particulars
S.M. 255	Mar. 23, 1926	Arapuni Power Supply, Section 125—Penrose Substation—5 automatic oil immersed circuit breaker panels complete (transformer); 5 automatic oil immersed circuit breaker panels complete (feeder); 2 synchronous condenser panels complete; 4 non-automatic oil immersed circuit breakers panels complete (bus couplers and bus section); 2 synchronising panels; 1 metering desk complete with instruments for 5 feeders; services of supervising engineer. (Refer to departmental file No. 29049.)
S.M. 256	Mar. 23, 1926	Arapuni Power Scheme. Section 154—4 oil filters 7-12 gallons per minute capacity; 1 oil filter 25-40 gallons capacity per minute; 5 oil testing equipment; 5 filter paper drying ovens. (Refer to departmental file No. 29049.)
S.M. 257	Mar. 23, 1926	Mangahao Power Development, Section 182. No. 3 Dam—1 automatic dam crest in accordance with specification and drawing. (Refer to Departmental file No. 29785.)
S.M. 258	Mar. 23, 1926	Mangahao Power Development, Section 181. No. 3 dam—1 dam gate complete with controls; 1 tunnel gate complete with controls. (Refer to departmental file No. 29785.)

AUCKLAND ELECTRIC POWER BOARD

Feb. 22, 1926.	Galvanized bolts—square head—23,184 pounds of bolts of various sizes in accordance with specifications; 5 tons galvanized washers, 2 inches by 2 inches by $\frac{5}{16}$ inches with $\frac{1}{16}$ -inch hole; 10,000 straps galvanized, 26 inches by $1\frac{1}{4}$ inches, No. 12 gauge; 2,000 straps, galvanized, 30 inches by $1\frac{1}{4}$ inches, No. 12 gauge; 1,120 pounds galvanized coach screws, $1\frac{1}{2}$ inches by $\frac{5}{16}$ inches; 3,360 pounds coach screws, $3\frac{1}{2}$ inches by $\frac{1}{2}$ -inch; 336 pounds coach screws, 6 inches by $\frac{1}{2}$ -inch. (Refer to departmental file No. 29123.)
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WORLD COTTON CROP

A total of 25,298,000 bales of lint cotton, 478 pounds net each, is the indicated production for all countries which have reported to the Bureau of Agricultural Economics writes Mr. Frederic Hudd, Canadian Trade Commissioner in New York City under date December 31, 1925. This compares with 23,220,000

bales for the same countries last year when the total world production was estimated at 24,700,000 bales.

Besides the United States larger crops are expected in Egypt, Russia and Anglo-Egyptian Sudan. A much smaller crop is forecast for Mexico, and estimates by the Chinese Cotton Mill Owners' Association indicate a slight decrease below 1924-25, but statistics for the coming crop in China have been delayed and are less reliable than those for last year.

The first production forecast for the 1925-26 crop for all India is 4,660,000 bales, according to the Indian Department of Statistics. Last year the first forecast was 5,069,000 bales, which figure was unrevised in the final estimate and was the largest crop on record.

For the past twelve years the first forecast of production averaged 89 per cent of the final crop. The area of the coming crop in India is estimated at 26,305,000 acres, compared with a final estimate of 26,461,000 acres last year.

Very favourable weather reports, have been received from Egypt and Uganda. In Anglo-Egyptian Sudan good progress is being made in developing the new irrigated areas and the coming crop is predicted to be over twice as large as that of last year. Picking began the middle of November and a good yield per acre was expected."

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

28. PROVISIONS, WHEAT, PORK, ETC.—A company of importers and agents in Oslo, Norway, are desirous of effecting connections with Canadian packers and shippers of provisions and other foodstuffs, wheat, maize (corn), flour; pork, beef, lard and raw materials for the margarine industry; oilcake, fresh apples, syrup, sugar and molasses. The company claim a good connection, with active sub-agents throughout Norway.

29. SALMON.—A French agent wishes to secure a first-class agency for a reliable salmon-packing concern. Has had over fifteen years' experience.

Miscellaneous

30. GRAIN.—A Rotterdam firm in a position to buy on their own account and to operate on a commission basis desire to establish connections with Canadian exporters.

31. A Cork firm wish to purchase following commodities on own account: oatmeal; linseed cake and meal; cotton cake and meal; various cattle feeding stuffs.

32. PURE CRUDE YELLOW BEESWAX.—An Osaka importer desires to get in touch with Canadian firms interested in the above commodity and would like to receive prices and samples of same.

33. STAVES.—The London office of an important Indian company are prepared to contract for large and regular supplies of staves for export to Calcutta, and invite offers from Canadian manufacturers. The requirements are from 30,000 to 40,000 kegs capable of containing 1 cwt. (112 pounds) of wire nails, which are to be packed flat and assembled or coopered in India. No other details are available, but it is assumed that the necessary tops and bottoms are also needed. Quotations c.i.f. Calcutta are urgent, as prices must be cabled to India.

34. MOTOR CAR AND MOTOR CYCLE ACCESSORIES.—A Birmingham firm that specialize in motor car and motor cycle accessories desire to represent Canadian manufacturers of the above.

35. A reputable manufacturers' agent in St. John's, Newfoundland, desires the representation of Canadian manufacturers on a commission basis.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING JANUARY 4, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending January 4, 1926. Those for the week ending December 28, 1925, are also given for the sake of comparison.

	Parity	Week Ending	
		December 28, 1925	January 4, 1926
Britain	1.00	\$4.86	\$4.8500
Czecho-Slovakia Crown	1.	.203	.0296
France	1.	.193	.0368
Italy	1.	.193	.0403
Holland	1.	.402	.4021
Belgium	1.	.193	.0453
Spain	1.	.193	.1413
Portugal	1.	1.08	.0520
Switzerland	1.	.193	.1935
Germany	1.	.238	.2382
Greece	1.	.193	.0130
Norway	1.	.268	.2030
Sweden	1.	.268	.2682
Denmark	1.	.268	.2480
Japan	1.	.498	.4330
India	1.	2s.	.3700
United States	1.	\$1.00	1.0000
Mexico	1.	.498	.4885
Argentina	1.	.424	.4137
Brazil	1.	.324	.1425
Roumania	1.	.193	.....
Jamaica	1.	4.86	4.8687
British Guiana	1.	1.	.....
Barbados	1.	1.	.....
Trinidad	1.	1.	.....
Dominica	1.	1.	.....
St. Kitts	1.	1.	.....
Grenada	1.	1.	.....
St. Vincent	1.	1.	.....
Tobago	1.	1.	.....
Shanghai, China	1.	.708	.5800
Batavia, Java	1.	.402	.4050
Peru	1.	4.86½	3.8500
Singapore, Straits Settlements ..	1.	.567	.5845

1.00375—1.0037 1.01625—1.015

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Halifax

- To CHERBOURG AND LONDON.—Ascania, Jan. 25; Ausonia, Jan. 25—both Cunard Line.
 To CARDIFF AND SWANSEA.—Canadian Commander, C.G.M.M., Jan. 15.
 To HULL.—Ariano, Jan. 11; Valemore, Jan. 25—both Furness, Withy.
 To LIVERPOOL.—Bay State, Jan. 16; Newfoundland, Jan. 31—both Furness, Withy.
 To MANCHESTER.—Manchester Hero, Jan. 17; Manchester Division, Jan. 24—both Furness, Withy.
 To LONDON.—Jessmore, Jan. 16; Valemore, Jan. 25—both Furness, Withy.
 To ST. JOHN'S, Nfld.—Hethpool, Jan. 16; Skipper, Jan. 22, Feb. 5; Sable I., Jan. 29, Feb. 12—all Farquhar SS.; Newfoundland, Furness, Withy, Jan. 21.
 To BERMUDA, ST. KITTS, ANTIGUA, MONTSERRAT, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Chignecto, Jan. 15; Teviot, Jan. 29; Chaudiere, Feb. 12—all R.M.S.P. Co.
 To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Fisher, Jan. 16; Canadian Forester, Feb. 6—both C.G.M.M.
 To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Carrier, Jan. 22; Canadian Runner, Feb. 5—both C.G.M.M.
 To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, Jan. 27.
 To SANTIAGO, KINGSTON AND MONTGO.—Andalusia, Pickford & Black, Jan. 13, Feb. 10.
 To AUSTRALIAN PORTS.—Canadian Cruiser, C.G.M.M., Jan. 30.
 To NEW ZEALAND PORTS.—Canadian Challenger, C.G.M.M., Jan. 25.

From St. John

To LONDON.—Bothwell, Jan. 16; Bosworth, Jan. 30—both Canadian Pacific; Canadian Trapper, Jan. 20; Canadian Raider, Feb. 3—both C.G.M.M.; Verentia, Cunard Line, Jan. 27.

To CARDIFF AND SWANSEA.—Canadian Commander, Jan. 13; Canadian Mariner, Jan. 27; Canadian Victor, Feb. 10—all C.G.M.M.

To LIVERPOOL.—Montcalm, Jan. 15; Montnairn, Jan. 22; Metagama, Feb. 5—all Canadian Pacific.

To AVONMOUTH.—Kastalia, Jan. 15; Parthenia, Feb. 5—both Anchor-Donaldson; Bawtry, Canadian Pacific, Feb. 5.

To MANCHESTER.—Manchester Producer, Jan. 23; Manchester Corporation, Feb. 6—both Manchester Liners.

To GLASGOW.—Gracia, Jan. 12; Carmia, Jan. 19; Morevia, Feb. 2—all Anchor-Donaldson; Brandon, Jan. 26; Bolingbroke, Feb. 9—both Canadian Pacific.

To BELFAST AND DUBLIN.—Torr Head, Head Line, Jan. 18.

To ANTWERP.—Canadian Trapper, Jan. 20; Canadian Raider, Feb. 3—both C.G.M.M.; Balfour, Canadian Pacific, Feb. 3.

To HAMBURG.—Essex County, Jan. 13; Laval County, Jan. 30—both Intercontinental Transports; Balfour, Canadian Pacific, Feb. 3.

To HAVRE.—Grey County, Intercontinental Transports, Jan. 19.

To ROTTERDAM.—Grey County, Intercontinental Transports, Jan. 19.

To COPENHAGEN AND BALTIC PORTS.—Ivar, Scandinavian-American Line, Jan. 20.

To SOUTH AFRICAN PORTS.—Fantee, Elder Dempster Line, Jan. 15 (calling at Freetown, Sierra Leone).

To BERMUDA, BARBADOS, TRINIDAD AND DEMERARA.—Balfour, Jan. 14; Berwyn, Feb. 6—both Canadian Pacific.

To SOUTH AMERICAN PORTS.—Hesperides, Houston Line, Jan. 20.

To AUSTRALIAN AND NEW ZEALAND PORTS.—Schouwen, New Zealand SS. Ltd., Jan. 16.

From Vancouver

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Asia, Canadian Pacific, Feb. 6.

To YOKOHAMA, KOBE AND HONG KONG.—Achilles, Blue Funnel, Jan. 28.

To YOKOHAMA, KOBE, MOJI, SHANGHAI AND NAGASAKI.—Arabia Maru, Jan. 16; Mexico Maru, last half January—both Osaka Shosen Kaisha.

To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Aorangi, Jan. 13; Niagara, Feb. 10—both Canadian-Australasian Royal Mail Line.

To AUSTRALIAN AND NEW ZEALAND PORTS.—West Cahokia, Pacific Australasian Line, Jan. 23.

To WEST COAST UNITED KINGDOM PORTS.—Canadian Highlander, C.G.M.M., Jan. 25.

To LONDON.—Dinteldyk, early January; Loch Monar, second half January; Loch Goil, early February—all North Pacific Coast Line; Canadian Importer, C.G.M.M., Feb. 10; Witram, early January; Justin, late January—both United American Lines.

To LIVERPOOL.—Dinteldyk, early January; Loch Monar, second half January; Loch Goil, early February—all North Pacific Coast Line.

To MANCHESTER.—Pacific Shipper, Jan. 20; Northwestern Miller, Feb. 2; Pacific Trader, Feb. 9—all Furness Line.

To GLASGOW.—Gaasterdyk, North Pacific Coast Line, early February.

To BORDEAUX, HAVRE AND ANTWERP.—Oklahoma, Jan. 21; Nevada, Feb. 8—both Cie. Gle. Transatlantique (French Line).

To ANTWERP.—Silarus, middle January; Loch Monar, second half January; Gaasterdyk, early February—all North Pacific Coast Line; Canadian Importer, C.G.M.M., Feb. 10; Witram, early January; Justin, late January—both United American Lines.

To HAMBURG.—Silarus, middle January; Loch Monar, second half January; Gaasterdyk, early February—all North Pacific Coast Line; Witram, early January; Justin, late January—both United American Lines.

To ROTTERDAM.—Dinteldyk, early January; Silarus, middle January; Loch Monar, second half January; Gaasterdyk, early February; Loch Goil, early February—all North Pacific Coast Line.

To HAVRE.—Silarus, North Pacific Coast Line, middle January.

To GENOA, LEGHORN, NAPLES AND TRIESTE.—Tagliamento, Navigazione Libera Triestina, Feb. 15.

To WEST INDIES AND EAST COAST OF SOUTH AMERICA.—West Camargo, early January; West Cactus, early February—both Pacific-Argentine-Brazil Line.

To WEST COAST PORTS OF SOUTH AMERICA.—Poljana, General SS. Corporation, Jan. 16.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

P. W. Cook. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

H. R. Pousette. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

James Cormack. Address for letters—P.O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300. Office—Laidlaw Building, Szechuen and Nanking Roads, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Raboisen 8, Hamburg 1. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czecho-Slovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watmill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230; office, Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P. O. Box 683; Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

Straits Settlements

A. B. Muddiman, P.O. Box 121, Singapore. (Territory covers Straits Settlements, British Borneo, Netherlands East Indies, and Siam.) *Cable Address, Canadian.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia). *Cable Address, Sleighing, London.*

J. Forsyth Smith, Century Bldgs., 31 North John street, Liverpool. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales). *Cable Address, Cantracom.*

Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands). *Cable Address, Canadian.*

Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, January 16, 1926

No. 1146

TABLE OF CONTENTS

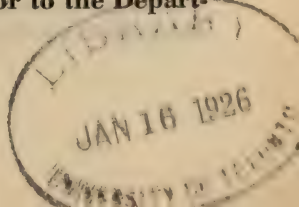
	Page		Page
Trade Commissioner A. B. Muddiman's Forthcoming Visit to Canada	65	Value of United States Farm Crops	86
Index to Commercial Intelligence Journal	65	Trade of Canada with the United States 1868-1925	86
Canadian Trade with Newcastle	66	China's Growing Market for Iron and Steel	88
Market for Confectionery in the North of England	68	Motor Bus Trade in Ceylon	90
Pulp and Paper Market in France	70	Economic Situation in Chile	91
Coal Trade of the Netherlands	72	Tariff Changes and Customs Regulations: New Zealand Flour Import Regulations	91
German Market for Meats	74	Draft New Haitian Customs Tariff	92
The Trade of British East Africa during 1924	74	Foreign Trade of Uruguay in 1925	92
Canadian Trade with British West Africa	79	Tenders Invited	92
Australian Tariff Board Report on Timber Duties	81	Foreign Exchange Quotations for the Week ending January 11, 1926	93
Australian Overseas Trade	81	Trade Inquiries for Canadian Products	93
Brussels Commercial Fair	82	Proposed Sailings from Canadian Ports	94
Flour Trade of the British West Indies and British Guiana—Part I	83	Commercial Intelligence Journal	96

TRADE COMMISSIONER A. B. MUDDIMAN'S FORTHCOMING VISIT TO CANADA

Mr. A. B. Muddiman, Canadian Trade Commissioner in Singapore, will arrive in Vancouver on February 24 on his way to Rotterdam, to which post he is being transferred. He will make a business tour of the Dominion in the interests of Canadian export trade to the Straits Settlements, Siam, the Dutch East Indies, and Holland. Canadian firms who are interested in any of these countries and who desire to be brought in touch with Mr. Muddiman or to interview him are requested to communicate at an early date with the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa, in order that the necessary arrangements may be made.

INDEX TO THE COMMERCIAL INTELLIGENCE JOURNAL

The Index to the *Commercial Intelligence Journal* for the six months ending December 26, 1925 (Nos. 1118 to 1143 inclusive), is being sent out with this issue. Canadian manufacturers and exporters are strongly advised to file all numbers of the *Commercial Intelligence Journal* for future reference and to preserve them with the index, in bound volumes or in some other convenient form. Additional copies of the index may be had free of charge on application to the King's Printer or to the Department of Trade and Commerce, Ottawa.



CANADIAN TRADE WITH NEWCASTLE

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, December 19, 1925.—The industrial position of the Tyne area has been built up on coal and shipbuilding. The area of the northeast coast, of which the River Tyne is the chief artery, comprises the oldest worked coal field in Great Britain. Continuous growth has marked the output and export of coal since early days and this growth has been hastened by the rapid development of the coal bunkering trade which has become a distinctive feature. The annual coal shipments for 1924 from the Tyne were 18,910,384 tons as against 8,131,419 tons in 1880.

As a shipbuilding centre the Tyne is of first importance. Such growth has attended this industry that up to half a million tons gross of shipping have been turned out in one year. In all there are at present some twenty shipbuilding firms on the Tyne with yards containing 113 building slips ranging up to 1,000 feet long, while many of the establishments include engine works for the production of the necessary marine machinery.

In addition to its primary industries of coal, shipbuilding, ship repairing and engineering, the Tyne has developed a number of secondary industries of varied character, such as the manufacture of glass, firebricks, grindstones, and iron and bridge work, while from the plentiful resources of bituminous coal, tar products have been produced in considerable quantity.

IMPORT TRADE

Newcastle, by its position on the Tyne and its facilities as a railway centre for the northeast coast, constitutes a main artery for the counties of Northumberland and Durham, with a population of around two and a quarter million. However, owing to its position in the northeast corner of England, Newcastle does not enjoy the same geographical advantages for distribution over a large portion of the country as, for example, the port of Liverpool. This provides a handicap to the development of direct export business to the Newcastle area. The opportunities for such development are in the main in connection with foodstuffs, and even here the outlet is limited in general to the district requirements.

With this reservation, and having due regard for the increasing importance of motor haulage as a means to develop trade to inland points, it is gratifying to note that there are not only distinct possibilities for increasing our direct trade to Newcastle in foodstuffs, but that a substantial business is being done already in certain Canadian products.

Until a few years ago, irregular steamship services only being available, the direct traffic to Newcastle from Canada and the United States consisted almost entirely of bulk cargoes—mainly grain—and local merchants, having a weekly market, were compelled to import such perishable foodstuffs as they needed by indirect routes often involving delay in delivery and extra cost to themselves and consumers, with the result that imported foodstuffs were restricted in volume.

For some years, however, the Cairn-Thomson Line has maintained a regular weekly service from Montreal to Newcastle during the period of open navigation on the St. Lawrence and from Portland, Maine, during the winter months.

Since May, 1925, refrigeration space has also been available on five steamers of this line from a minimum of 58,075 cubic feet to a maximum of 61,580 cubic feet. Two new steamers to be built for this service next year will be equipped with 67,000 cubic feet each.

From a careful analysis made by this company of their cargoes carried from Montreal and Portland to Newcastle for the years 1921 and 1922, it is found

that shipments of flour increased 225 per cent, apples 500 per cent and provisions 450 per cent. Shipments of eggs were also greatly increased and grain shipments more than doubled. Unfortunately, it has been impossible to secure separate figures covering Canadian shipments but there is no doubt but that exporters have been taking advantage of the direct sailings offered. This expanded trade, with few exceptions, has been maintained, and during the course of a recent visit to Newcastle, when a number of foodstuffs importers were interviewed, it was found that this weekly service has been a deciding factor in encouraging traders to take an increasing interest in Canadian products.

Provisions.—The established reputation of Danish butter and bacon, and the proximity of Newcastle to the Continent, have made this district an important outlet for Danish products and this undoubtedly constitutes a handicap to Canada. It is gratifying, however, to note that recent efforts towards standardization of Canadian butter are meeting with appreciation and that butter from Western Canada in particular has been making a very favourable impression in this district. Increased trade in this line can be confidently looked for.

Canadian mild cured bacon was favourably spoken of and is coming regularly to this area. The high quality of Canadian cheese is well known in Newcastle and the products of several important Canadian shippers have established reputations in the market.

Canadian eggs which were handled in quantity by Newcastle firms some three years ago have generally been unable to compete during the past season owing to increased supplies of good quality eggs from Continental countries, notably Russia. However, the Canadian article is looked on with favour and exporters may expect business when market conditions permit.

In addition to the above a certain interest was shown in other Canadian foodstuffs such as canned fruits, particularly pears, canned vegetables, canned lobster and salmon, proprietary cereal foods, macaroni, dressed poultry, frozen fish, etc.

Grain.—The facilities for handling this product are not as satisfactory as at more important grain centres. At the same time a very considerable trade is done and an active interest was expressed by an old established firm in this city wishing to purchase Canadian wheat for direct shipments to Newcastle and a number of enquiries were received for Canada Western oats No. 2 grade and lower.

Hay.—An established Newcastle hay dealer, who has already had past experience with Canadian hay, expressed an interest in the possibility of securing this commodity from Canada.

Timber.—The main connection of Newcastle timber firms is, as to be expected, owing to proximity, with the Baltic, and the majority of traders interviewed were not hopeful of Canadian softwoods, such as Quebec pine, etc., securing any serious proportion of the trade. One or two firms, however, expressed an interest in getting in touch with shippers of Quebec and Nova Scotia birch logs, planks and squares, and an inquiry was also made for maple flooring.

Miscellaneous.—Enquiries were received for carriage bolts, beech shipyard wedges, wrapping papers, and hosiery.

CONCLUSION

In reporting on trade opportunities in Newcastle, it seems necessary to point out the very severe period of depression which is being experienced by both the coal and shipbuilding industries. A visit to Tyneside yards brings home

to any visitor in a very vivid manner the almost total lack of activity, with rows of empty yards waiting for orders. Ship repairing has lately been in a somewhat better condition, and individual contracts are even reported from time to time in the shipbuilding industry. The stagnation of the coal trade is well known.

These conditions naturally affect the possibility of increasing trade, and there is no doubt but that the Newcastle area has been one of the worst sufferers from the prolonged period of depression which this country has gone through.

On the other hand, strike conditions in the United States have resulted in the development of a certain business not only to that country but to the normal purchasers in other countries of United States coal. According to the figures supplied by the Tyne Improvement Commission 51,977 tons of bunker coal were shipped from the Tyne to Canada during the four-month period from August to November of 1925, and 27,000 tons of coke during the same period. This trans-Atlantic trade aided by the recent generally improved state of industry in this country has been of some benefit to the coal trade.

A great difficulty in maintaining adequate transportation services between Newcastle and Canada has been to secure sufficient westbound traffic and this point was constantly emphasized in interviews held with members of various trades with the accompanying suggestion that efforts should be made to stimulate direct exports to the Dominion from this area.

The unofficial records obtainable indicate that the very considerable disparity in favour of Canadian products which existed before the War is very much more marked to-day. Except for the occasional spasmodic movement of coal already referred to, practically the only commodities moving are structural steel work from the Tees district and paper stock in small consignments. Up to 1914 pig iron, Speigel and Scorias blocks, used to be exported in sufficient quantity of ballast and frequently in full cargo lots but this trade has greatly diminished.

Trade Inquiries received from Newcastle importers covering the commodities mentioned in this report appear in this issue and any interested Canadian firms are also invited to communicate with this office.

MARKET FOR CONFECTIONERY IN NORTH OF ENGLAND

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, December 21, 1925.—While it is not considered likely that Canadian manufacturers can compete to any appreciable extent with the large United Kingdom firms in the cheaper lines of confectionery, there should be an outlet in this market for high-class Canadian chocolates, if they can be landed at a price to allow their being retailed at from 3s. 6d. to 4s. per pound. Undoubtedly, the competition from such world-renowned firms as Cadbury, Rowntrees, Fry, etc., is extremely keen, particularly as they carry out the most intensive advertising and sales campaigns, in many instances selling direct to the retailer. It is worth noting in this connection that many of the large high-class retail shops insist on purchasing from the manufacturers and not from wholesale distributors.

By far the largest sales are made in loose chocolates and other confectionery in $\frac{1}{4}$ -pound and $\frac{1}{2}$ -pound lots over the counter, and not in boxes. During the Christmas period, however, a large trade is done in attractive boxed chocolates in $\frac{1}{2}$ -pound, 1-pound, and even larger sizes. There is also an increasing tendency on the part of English manufacturers to put up their goods in $\frac{1}{4}$ -pound and $\frac{1}{2}$ -pound boxes. For the bulk selling the usual containers run from 2-pound to 4-pound and in some instances as high as 7-pound boxes. These boxes are sometimes provided with hinged lids and placed in the windows for display purposes. Attractive picture effects are desirable on these display containers. For this

trade the lower-grade chocolates are packed in the largest containers. The main seller is around 6d. per quarter pound, although some chocolates are retailed as low as 4d.

Turning to the individual boxed chocolates, in which trade Canadian manufacturers should be more able to compete, the tendency is to consider 4s. per pound as a high retail price. One well-known English manufacturer sells an established brand which is highly advertised at 5s. per pound and others have been seen at 9s. per 2 pounds and as high as 6s. per pound, but Canadian firms cannot expect sales at this price until their product is widely known in this country.

Certain criticisms have been made against Canadian lines which have been placed on this market in the past, and particularly against the Canadian chocolates which were imported during and immediately following the war. It is claimed that Canadian chocolates are not as smooth as the domestic article and that in many instances the flavouring is too sweet for the English palate. Tinfoil wrapping is freely used with the better-class English lines, and the English chocolates generally are smaller than Canadian. It has also been claimed that our manufacturers pay too much attention to the containers and that the chocolates are too loosely packed.

However, in spite of these criticisms, dealers interviewed, who have had the opportunity of tasting actual samples, have not only spoken favourably of the quality and general appearance but have also remarked on the variety of the filler and the general attractiveness of the containers. It is also gratifying to note that the product of one Canadian firm has been introduced to this district and is meeting with a fair amount of appreciation.

In view of the extensive competition and advertising carried on by English manufacturers, it is thought that any Canadian firms attempting this market would do well to have the words "Canadian Made" or some similar mark of distinction placed prominently on their boxes, whether for the high-class trade or the bulk trade. In this way the British consumers' attention may be attracted to something in the nature of a specialty product, while advantage would be taken of the increasing interest shown by the British consumer in Empire products.

While certain dealers interviewed were of the opinion that Canadian firms should develop a chocolate modelled on present English lines, in order to get a foothold in the market, it is not recommended that this course be taken. Our chocolates will only secure sales on their merits as a distinct Canadian product offered at competitive prices, and it is unlikely that Canadian firms, without huge expenditure, can hope to compete successfully for the ordinary trade in this country. For every one competitor at 1s. per quarter pound there are probably ten at 6d.

It is not thought that Canadian chocolate bars could compete against English and Continental manufacturers. Although certain well-advertised lines are packed in attractive wrappers, the bulk of the trade is done in unwrapped bars which retail at 2d.

Apart from chocolates, the market for imported confectionery is, in the main, confined to certain specialty lines in which United States exporters have an established reputation, such as marshmallows, mint creams, etc. One well-known American firm does a considerable trade in marshmallows, and the American product is generally considered slightly better than the English. In the opinion of one dealer interviewed, the demand for mint creams is not as good as formerly. English manufacturers are competing against America keenly for this trade. Recent average prices were from 10½d. to 1s. per pound, delivered.

One or two firms expressed an interest in having samples and landed prices, duty paid, on specialty lines such as lollipops, gums, etc.

Any interested Canadian firms are invited to communicate with this office.

PULP AND PAPER MARKET IN FRANCE

TRADE COMMISSIONER HERCULE BARRÉ

Paris, December 14, 1925.—For a number of years to come France will be compelled to import large and increasing quantities of chemical and mechanical pulp, newsprint, kraft, and possibly a fair quantity of printing papers and boards, in spite of the high tariff on these two latter items. The factors governing the pulp and paper situation in France are fundamental and cannot be altered readily. They are (a) shortage of labour, unskilled, skilled, and technical; (b) the inadequate number of plants to meet the requirements of the country; (c) lack of raw materials, though this factor is hotly contested by no less an authority than Mr. Seurre, Inspector of Rivers and Forests, who claims that the country can supply every year enough suitable wood to produce all the pulp and cellulose it requires; his opinion, however, is countered by many experts who point out that even if this were so, water powers are not available to produce the amount of pulp required; and (d) the reluctance of capitalists to enter into industrial ventures, in view of the uncertainty of the political and economic situation, and the tendency towards ever-increasing taxation of industrial and commercial profits. This reluctance applies to all kinds of industries. In the case of the pulp and paper trades, it is accentuated by the lack of skilled and technical workers. France has but 2,000 qualified university chemists for the needs of the whole of her industrial and chemical requirements.

For these various reasons, freely admitted and recognized in competent quarters, France must for very many years to come seek abroad the supplies that she cannot produce. Professor M. V. Brot, of the Ecole de Papeterie of the Université de Grenoble, estimates that about 200,000 tons of mechanical pulp and 250,000 tons of cellulose or chemical pulp will have to be imported yearly for a number of years, whilst in 1924 the imports of paper, mostly newsprint, exceeded 150,000 tons, which are likely to be exceeded slightly from year to year, owing to the steadily increasing per capita consumption of paper.

The rapid development of the artificial silk industry is likely to open up another large market for exporters of bleached sulphite pulp to France. Canadian manufacturers of this kind of pulp would do well to watch this market, for it is a rapidly growing one, which must perforce obtain its supplies from abroad. It is openly stated that if the Lyons firms engaged in the silk industry are to hold their own in the markets of the world, they will have to increase largely the use of the artificial fibre, some experts saying that at least fifty per cent of the Lyons silk goods will have to be of artificial cellulose.

Remarkable advances have been made in the preparation and treatment of cellulose by the Lyons interests. At the recent Exposition des Arts Decoratifs, artificial silk goods were shown which for feel, weight, finish, and colourings, were the equal of the finest natural silk products.

France has a special incentive to develop the artificial silk industry, and the use of artificial silk goods by her population, in place of cotton goods. The bulk of her raw cotton supplies are obtainable from one country alone, whilst she can import cellulose or chemical pulp from a number of countries, amongst which Canada is frequently mentioned. The more artificial silk goods can supersede cotton goods the less dependent would France be upon but one source of supply for raw cotton.

All these factors make France a promising market for Canadian pulp and paper manufacturers, one that is worth while making conscientious, systematic and persistent efforts to develop and make secure. Although sentiment seldom enters into practical business decisions, yet the feeling amongst French importers of pulp and paper is strongly pro-Canadian and this sentiment is

spontaneously expressed. The share played by Canada in the war has created a vivid and deep impression upon the minds of all, and of all the exporters of pulp and paper to France, Canada is the only one which took an active part in defending her soil and freedom, whilst the others were either neutral or against her. It is also recognized that large supplies from Canada would tend to stabilize prices. This favourable atmosphere should greatly facilitate business for Canadian interests. Right prices and uniform quality, punctual deliveries and the quick adjustment of claims should ensure to our makers a large share of this market. If to these factors of success could be added that of service—that understanding by the seller of the needs and difficulties of the buyer and a desire to meet both which is what is meant in Canada and the United States by the word service—Canada should be able to win in this market a position which would be lasting and profitable.

If one may venture to express an opinion or make a suggestion, the co-operative principle which has worked wonders for many industries in many countries, might possibly be applied with success to the marketing of Canadian pulp, paper and wood products in Europe. An organization supported by all the Canadian pulp and paper interests could be established in Paris, to study market requirements in every country of Europe. (Even Germany is now importing small lots of Canadian pulp and would probably buy more if a central selling organization existed here to seek all possible customers in the Reich). Such a Canadian Pulp and Paper Office, with adequate resources, could seek every avenue of trade in Europe, secure existing markets and create new ones, combine shipments to obtain low rates, quick deliveries and prompt adjustment of all claims. It could keep constantly in touch with the fluctuations of the various markets, advise its members of new openings, and by pooling its publicity resources, create a massive and attention-compelling effect which individual firms could never hope to produce.

Men of importance in the paper trades of France have expressed their readiness, even anxiety, to buy Canadian pulp and newsprint. An important buyer has stated that good business could no doubt be done if Canadian makers could offer highest quality bleached sulphite pulp at about £19 sterling c.i.f. Rouen and mechanical (dry) pulp at about £9 to £9 10s. c.i.f. Rouen or Le Havre. The same buyer also says that newsprint is in great demand by their customers, and good business could be done in Canadian newsprint, of about 50 grammes to the square metre, landed at Rouen or Le Havre around £15 to £15 10s. per metric ton. Kraft papers are also in great demand, France being unable to produce a tithe of her needs. The prices vary according to weight, quality, strength, colour, etc.

The imports of pulp into France for the first ten months of 1925 were as follows. The figures refer to metric tons which equal 2,204 pounds.

Countries of Origin	Mechanical		Chemical
	Dry	Wet	
Finland	6,012.6	15,057.0	12,182.9
Sweden	6,908.8	52,489.4	70,294.6
Norway	865.4	74,241.8	18,252.8
Great Britain	377.7	.....	22.1
Germany	81.3	1,245.7	21,310.7
Austria	2,085.4	.....	11,037.7
Netherlands	50.3	.....	146.8
Belgium-Luxembourg	4.2	.....	4,051.9
Switzerland	59.9	1,176.4	5,610.2
Czecho-Slovakia . . . . .	.....	.....	5,267.4
Italy . . . . .	.....	.....	41.5
United States . . . . .	.3	.....	1,383.8
Canada . . . . .	.5	13,818.6	2,512.3
Tunisia	979.9	47.9	86.5
French Indo-China	50.9	.....	.....
Other countries	25.4	1,291.2	4,516.6
	17,502.6	159,368.0	156,717.8

It will be seen from the above figures that the share of Canada in the imports of France do not reach five per cent of her requirements from abroad. A large importer stated that he could have ordered from Canada about 50,000 tons, which he said he had been compelled to order from Germany and Scandinavia, owing to inability to secure the quality specified on a first order of 5,000 tons, and prompt adjustment of certain claims arising out of that shipment.

COAL TRADE OF THE NETHERLANDS

TRADE COMMISSIONER FREDERICK H. PALMER

Rotterdam, December 14, 1925.—Rotterdam has for years been a highly regarded port with respect to its equipment for handling bulk cargoes such as coal. The excellence of its facilities are well known and that their value is appreciated by coal shippers is evident from the volume of coal which passes through. During the twelve months of 1924, 7,784,005 tons of coal were passed inward and 3,301,641 tons transhipped to ocean-going vessels.

The detailed statistics of the transit coal trade for 1924, which do not include coal previously stored in Holland, show that 6,132,971 tons of coal were sent down the Rhine from Germany for transshipment abroad, including 2,730,503 tons for Italy and 1,398,415 for France. During this same period 810,162 tons entered from England, nearly all of which was transhipped to Germany.

But the Netherlands is interested in coal aside from transshipping trade since coal is a very necessary article in this country and also since coal mines are being operated within its borders. During 1924 Holland imported 7,181,834 tons of coal as compared with 6,386,016 tons in 1923. Of this coal over four and a half million tons came from Germany, over two and a quarter million tons from England and 1,905 tons is credited to Canada.

Statistics of the Dominion Bureau of Statistics show that for the fiscal years ending March 31, 1923, 1924 and 1925, Canada exported 11,001, 75,395 and 3,695 tons of coal respectively.

However, the economic geography of Holland permits the export of Dutch mined coal, and during 1924 1,718,128 tons of coal (except bunker coal) were exported as compared with 2,034,557 tons in 1923. Of the exports during 1924 nearly one-half or 812,198 tons went to Belgium, 445,123 tons to France and 367,859 tons to Germany. This business has only been made possible by the favourable freight rate situation offered to the mines in the south of Holland in conjunction with a comparatively short rail haul to the adjacent markets of contiguous countries. During the past summer competition from other countries began to increase and the prospects for Dutch mines looked very dark, so much so that it was announced by the directors of the few mines being privately operated that lower freight rates were absolutely necessary if Dutch mines were to continue to share in their home market.

New canal schemes have been rushed to completion and recently, yielding to the insistent pressure from the operators and distributors, the directors of the railroads, which are actually being operated by the Government, announced a decrease in the rates on Dutch coal, and it is expected that an increasing proportion of the coal consumed in Holland will be of Dutch origin.

COAL MINING IN THE NETHERLANDS

The coal fields of the Netherlands lie chiefly in the southern province of Limburg and while in 1913 two mines operated by the State produced just over 400,000 tons of coal and nearly one and a half million tons came from the five privately operated mines, the rapid development of the Dutch coal mining

industry was stimulated chiefly by the pressure of war time conditions. In 1913 2,476 miners were employed in the State operated mines when 6,748 workmen were producing for the private companies. By 1923 there were three State and six privately operated mines producing and during 1924 a new State mine was opened but it is not yet producing.

The net production of coal of the combined Limburg coal mines, State, as well as privately operated mines, during the first nine months of 1925 amounted to 4,935,639 tons, giving a yearly production of approximately 6,500,000 tons. As compared with the first three quarters of 1924, when the production of coal amounted to 4,338,479 tons, the production has increased by 597,160 tons or by nearly 14 per cent.

In the coal-washing plant belonging to the various Limburg mines, 198,254 tons of coal-sludge was obtained, compared with 238,371 tons in the first three-quarters of 1924. Thus, the quantity of coal-sludge obtained by washing decreased by 40,117 tons or rather more than 17 per cent.

Altogether there were produced 5,133,893 tons of coal and coal-sludge, compared with 4,576,850 tons during the same period of 1924; thus, the total production increased by 557,043 or rather more than 12 per cent.

The following table shows the production of coal and coal-sludge in tons of the combined Limburg, State and privately owned mines during the twelve months of 1924 and the first three quarters of 1925.

	Coal	Coal-Sludge	Total
1924 1st quarter	1,416,622	92,430	1,509,052
1924 2nd quarter	1,419,511	79,720	1,499,231
1924 3rd quarter	1,502,346	66,221	1,568,567
1924 4th quarter	1,543,066	59,091	1,602,157
1925 1st quarter	1,576,166	68,436	1,644,602
1925 2nd quarter	1,551,267	58,052	1,609,319
1925 3rd quarter	1,808,206	71,766	1,879,972

These statistics show that the production of coal, with the exception of the second quarter of 1925, has gradually increased. The increase in production during the third quarter of 1925 has indeed been very considerable, amounting to no less than 256,939 tons or nearly 17 per cent over the production of the previously quarter.

It is stated that the extraordinary increase in production during the third quarter of 1925 lies in the fact that the mine-managers endeavoured to raise the production of their mines as high as possible, in order to be able to limit as far as possible the disadvantages of a small margin of profit. On the other hand, this increase in production may also be attributed to the circumstance that orders increase with the approach of winter, but it might also have been supposed that even if production increased no further during the coming winter months, it would remain at its present level. However, an increase in production already may be expected, since, commencing with the first of November, the working time of about 17,000 underground miners has been increased by two hours a week, making an increase of the number of working hours of about 4,200 hours a week.

It is also reported that in the near future the Dutch mining industry will be helped to meet the sharp competition which it has to bear from foreign coal, not only by measures to be taken by the Government, but also by the assistance which will be lent to the mining industry by provincial and municipal committees, tending to increase the sales in this country.

The domestic use of coal in Holland is increasing more and more. During the first three quarters of 1925 domestic consumption amounted to 9,386,796 tons, as compared with 8,156,416 tons in the same period of 1924, or an increase of 1,230,380 tons or of 15 per cent.

GERMAN MARKET FOR MEATS

TRADE COMMISSIONER L. D. WILGRESS

Hamburg, December 16, 1925.—The German returns give an import from the United States during 1924 of 1,011 tons of frozen edible beef offals, 4,995 tons of other frozen beef, and 437 tons of beef simply prepared. At present Canada is shipping more frozen beef here than is the United States. There is now a splendid opening for frozen beef and frozen beef offals, such as beef and pig livers, and importers cannot obtain sufficient supplies. Besides frozen offals Canadian packing houses are also shipping here frozen cows and bulls, while a month ago there was a good demand for frozen boneless beef, but the United Kingdom is now outbidding in this commodity. If Canadian exporters were to forward c.i.f. prices for frozen beef and pig livers to German importers it is quite likely that orders for considerable shipments would be placed.

At present a complicated situation exists in respect to the duty-free importation of frozen meat under license. The quota for the next quarter commencing January 1, 1926, has been fixed at 30,000 tons. The licenses are based on the quantities which the various firms presented for inspection in 1924. All frozen meat imported duty-free has to be sold under the conditions and control of the various municipalities. Some of these are stricter than others. Thus Berlin does not allow duty-free frozen offals to be sold to the sausage makers. As this is the great centre for sausage making, frozen offals are being imported which pay the high duty of 45 marks per kg., in order that they may be sold to the Berlin sausage makers.

At present there is no opening for cured and pickled meats. Since the new tariff went into effect on October 1 the importation of such meat has been practically precluded by the duty.

THE TRADE OF BRITISH EAST AFRICA DURING 1924

TRADE COMMISSIONER G. R. STEVENS

Cape Town, December 4, 1925.—The South African Trade Commissioner to East Africa is paying one of his visits to the Union, and considerable attention has been focussed upon the marked progress of those colonies during the past two years.

The magnitude of British East African possessions is not generally realized, and many are surprised to learn that these areas in totality are much larger than the Union of South Africa, and at present support almost twice the population. Disregarding Northern Rhodesia, which may be considered as the link between the East African and the South African groups of British possessions, the East African block of Nyassaland, Tanganyika mandated territory, Kenya colony, and Uganda extends from Mozambique territory in the south to the Abyssinian and Soudanese borders in the north. The areas and populations of these colonies are as follows:—

	Area (Square Miles)	Population
Nyassaland Protectorate	40,000	1,175,000
Tanganyika Territory	365,000	4,230,000
Kenya Colony	245,060	2,500,000
Uganda	110,360	3,119,645
Zanzibar Protectorate	1,000	127,829
Totals	770,360	11,152,474

South African interest in this great expanse was established during the war, when the campaign in Tanganyika was largely carried out by South African troops. In 1922 an economic commission from South Africa, headed by Sir

Ernest Chapell, reported in detail upon commercial possibilities, and as a result a South African Trade Commissioner was appointed with headquarters at Nairobi. The British Government has also maintained a Trade Commissioner in this area since the war.

At the time of Sir Ernest Chapell's report the East African colonies were still suffering from the effects of four years' fighting, and the report was fairly guarded in its optimism. Nevertheless, a reciprocal trade agreement involving heavy preferences was drafted, with a view to improving South Africa's position in these markets. But under the terms of the Congo Basin Agreement, to which world powers are signators irrespective of whether they have African possessions, it was found impossible to make any preferential arrangements before the expiration of the present agreement in 1929.

It is difficult to visualize the East African area without the aid of a map. The Dominion of Southern Rhodesia lies south of the Zambesi, while Northern Rhodesia, still a Crown colony, occupies a large block between the Belgian Congo and Portuguese East Africa. Along the western shore of lake Nyassa stretches the Nyassaland Protectorate, a slender province linking Northern Rhodesia with Tanganyika Territory, to the west and north of the lake. In turn, Tanganyika abuts upon Kenya Colony to the north, and upon Uganda to the northwest. The northern boundaries of these latter colonies really define the limits of the East African group, although they likewise touch upon British territory at the Anglo-Egyptian Soudan.

CONFIGURATION

The geographical configuration of these great provinces is noteworthy. The coastal area, a typically tropical belt a few miles in depth, bounds the great highlands of the interior. These highlands possess extraordinary physical features which, in spite of latitude, make them a fit home for European peoples.

In some parts of Kenya colony these uplands resolve into desert and non-arable wastes, but for the most part their height constitutes them a temperate zone even upon the equator. Moreover, the Great Rift valley, traversing Kenya and part of Tanganyika, supplies a barrier which adds abundant rainfall, resulting in areas of surpassing richness. Further inland (that is, bordering upon lakes Nyassa and Victoria Nyanza) areas of equal possibilities are found, but because of the climate, Nyassaland and Uganda are only suitable for exploitation by native labour at present. A large percentage of both the lake districts and the temperate plateaux are as yet unscratched, in an economic sense.

TRANSPORTATION

The Cape to Cairo Railway has yet to become a reality, and the development of communications on the east coast has been lateral, that is from east to west. Nyassaland is still served from Beira, which is the chief port for Rhodesia as well, although situated in Portuguese territory. Dar-Es-Salaam, the chief port of Tanganyika, is the ocean terminal of the Central Railway, which runs transversely across that colony to its western terminal 700 miles inland upon the shore of lake Tanganyika. Two hundred and fifty miles further north the Uganda Railway traverses Kenya in a direction roughly parallel to the Central Railway of Tanganyika to terminate upon the shores of lake Victoria Nyanza, 600 miles inland. A branch line, at present uncompleted, is destined to connect the Uganda and Central Railways. On lakes Victoria Nyanza and Nyassa regular shipping services are established. In Tanganyika the Tanga Railway is a spur of the Central Railway, but it is of diminishing commercial importance except as a section of the system which will eventually connect Kenya and Tanganyika.

The large loans which have been lately granted these colonies by the Imperial Government are earmarked for communications and undoubtedly development will follow the opening of the new areas. Probably the most important and immediate transportation project is the building of a branch line southwards from the Central Railway of Tanganyika to the head of Nyassaland, thus opening up large virgin uplands and diverting Nyassaland's traffic from Beira to Dar-Es-Salaam, in part at least. A secondary undertaking is the continuation of the Uganda Railway around the northern end of lake Victoria Nyanza to a new terminal in Uganda.

FINANCE

These colonies are all self-supporting and, with the exception of Kenya, have favourable trade balances at present. The adverse balance in Kenya is due to rapid expansion and is regarded as temporary.

Each colony is governed by British officials with little representative influences to date. Unofficial European influences, however, are very strong, and in time these colonies will follow the customary British development, representative councils of various authorities being brought into being.

ECONOMIC DEVELOPMENT

The East African colonies are almost entirely agricultural, being dependent upon export crops for their prosperity. Fortunately for these new areas they have a variety of produce which protects them from the cyclic depressions which overtake any raw material of industry at one time or another. The production and buying power of these colonies is evidenced from the following trade statistics for 1924:—

	Exports	Imports
Kenya and Uganda	£8,137,009	£8,178,547
Tanganyika	2,695,284	2,062,646
Zanzibar	2,100,000	1,850,000

The 1924 figures for Nyassaland are not available as yet, but in 1923 the total trade of this colony approximated £900,000, which would make the total commerce of this group of colonies roughly £20,000,000 per annum, a very considerable figure for an area still in its economic infancy. Owing to the rapid growth of cotton planting in Uganda that colony is the preponderant industrial partner at present, but the coffee and maize of Kenya, the sisal and copra of Tanganyika, and the spices of Zanzibar are all contributory sources of revenue of growing importance. Among the exports of Kenya there is an item of distinctly Canadian interest, this being hard wheat grown almost on the equator. Sufficient of this wheat is now available for Kenya's needs and supplies will soon be available for export to contiguous areas, even, it is stated, to South Africa in the not distant future.

IMPORTS

The governing factor in considering the import requirements of these colonies is the limited white population, which at present consists of only a few thousand Europeans among almost as many million natives. Yet these colonies unanimously support a vigorous immigration policy and the European population is steadily increasing. The increase represents a very high type of settler. Nevertheless, for a considerable time the importance of this market will depend upon the requirements of the natives, whose needs are comparatively primitive and undeveloped. Yet even among the natives the demand for peculiarly European articles of consumption is increasing by leaps and bounds, particularly in Uganda, where the cotton industry has made the black agriculturist so wealthy that Tanganyika is being drained of its native supply to work for him. The

prospective market for distinctly European commodities is therefore not dependent upon the comparatively minor increases in white population.

Unfortunately the only customs union existing in East Africa is between Uganda and Kenya, a union which Tanganyika joins in 1926. On account of divers classifications and the absence of recent statistics from all colonies, it is impossible to discuss the nature of East African imports except by classes of commodities.

FOODSTUFFS

A wide range of foodstuffs is imported in steadily increasing quantities. Foodstuffs which were solely used for white consumption a few years ago are now incorporated in the dietary of the better-class and wealthier natives, who in turn will convey the demand to the general population. Flour is imported by Tanganyika and Nyassaland but Kenya is self-supporting and is able to supply Uganda's requirements and partially supply those of Tanganyika. Salt fish is an import of considerable value in all colonies, whereas the sale of tinned fish would appear to be restricted to the European population. No imports of meat products of any dimensions are to be noted; nor is there any particular trade in dairy products, nor in prepared or fresh fruits. There is a fair-sized business in biscuits, a growing market for confectionery, and a small demand for jams and marmalades. Salt and sugar is imported into all the colonies in considerable quantities. There is a good sale of beers and light wines and an equally good trade in spirits. The imports of non-alcoholic beverages are limited by the local manufactures.

Cigarettes and tobacco constitute a large trade throughout all sections of this area.

SOFT GOODS

The piece goods trade of East Africa is by all odds the most important import. It is of course conducted in types of cloths which Canada does not manufacture and at present there is little or no demand for either woven or knitted textiles which would interest Canadian exporters. Great Britain is predominant in supply, with coarser fabrics coming from India in some quantity; Continental suppliers have made an impression on minor sections of the trade.

ROUGH GOODS

The development of transportation routes is mirrored in comparatively heavy imports of constructional materials, particularly by Kenya and Uganda. The roads of these colonies are extraordinarily good, due to natives working out their taxation upon them. Fair quantities of cement are imported and a certain amount of structural iron and steel. Timber is locally obtained; indeed it is believed that Kenya will in time supply a considerable proportion of the timber requirements of all Africa.

Apart from building materials the most important East African imports under this heading are classes of tools and implements, particularly agricultural equipment of all kinds. As in other centres where native labour is used, cheap man-power must restrict the demand for improved types of equipment. Yet in East Africa the land-owning classes are of a very high type, being largely recruited from the upper and middle classes of Great Britain and having a certain amount of capital in their ventures. There is therefore little conservatism in so far as experiment is concerned, and this area presents a potential market of increasing importance for all types of agricultural machinery. In hand implements Birmingham is more or less in control in so far as Continental competition can be met, but American types of agricultural machinery are in steady demand, and the companies already represented in East Africa are making excellent progress.

Disinfectants, seeds, fertilizers, cordage, and vehicles are other agricultural requirements which must be filled from other than domestic sources and the market for such accessories is widening each year.

On account of the excellent nature of East African roads there is a very important import of motor vehicles. This trade is preponderantly American to date. A considerable proportion of the total consists of commercial vehicles and a steady expansion in the demand for trucks and lorries is to be anticipated. As the South African Trade Commissioner points out in his report, the gap in a continuous highway from Cairo to the Cape is now inconsiderable, and all sections of the East African community are as one in their support of a progressive policy of road construction.

MISCELLANEOUS

Paper imports are a considerable item, being supplied largely from European sources at present. As in most primitive areas, soap forms a large demand and this staple is among the largest single import of all colonies. There is a rapidly growing trade in boots and shoes of cheaper types.

THE COMMERCIAL COMMUNITY

The large proportion of Asiatics in the commercial community of East Africa is a somewhat unfortunate factor which is engaging the attention of all sections of the East African public at present. These Asiatic merchants are general traders, many being of unstable character, and hence adversely affecting credit conditions. The present day tendency is for two business communities, the Asiatic and the European, to develop, and it is hoped that the superior ethics and stability of the European community will dominate in course of time. One of the unfortunate factors which give the Asiatic trader his grip upon commerce lies in the fact that he merchandises the native's crop for him. More effective marketing arrangements and more specialized distribution will in time diminish this advantage.

At present the safe course of trade is through the large English wholesale merchants, who are usually branches of London trading companies. These organizations in turn sell to the Indian traders. However, an ever-increasing number of European houses are participating in the better-class retail trade, and such firms offer a safe medium for the sales of specialized lines which the wholesale merchants do not stock.

Manufacturers' representatives, usually Europeans, are appearing in the principal centres, such as Nairobi, Mombassa, and Dar-Es-Salaam. They are useful sales adjuncts in the case of staple lines.

BANKING FACILITIES

Banking facilities are excellent, East Africa being served by the two South African banks and the Bank of British India.

OCEAN SERVICES

European freights are mostly delivered through the Mediterranean to Mombassa, Zanzibar, and Dar-Es-Salaam. Nyassaland freight comes around the Cape to Beira. Canadian freights, for the present at least, must necessarily tranship from Canadian steamers at Durban. The British general cargo rate for No. 1 freight to East African ports is in the neighbourhood of \$14 per ton.

GERMAN PENETRATION

The return of Germany into the East African field is one of the chief anxieties of other trading nationals because of the predominance which Germany enjoyed in this area before the war. There was strong agitation against

permission being granted Germans to return to Tanganyika, formerly German East Africa. However, it would appear that the competition of Germany, while it will be felt, particularly in the bazaar trade, is not so ominous as is suggested in some quarters, both because of the domestic difficulties of German exporters and because of the changing nature of the East African demand. Increased spending power is altering the requirements of the native and as he ascends in the economic scale Germany becomes less of a competitor. Nor are Germany's efforts to regain her former position in the cheap goods trade altogether successful. The South African Trade Commissioner writes:—

Germany has been giving extended credits as an inducement to merchants, especially Asiatic merchants, and has in consequence been making the position temporarily more difficult for other suppliers. But this system of long credits is so fundamentally unsound that it is unlikely to last, and there have been already one or two heavy failures in which German suppliers are said to be considerably involved.

In conclusion the South African Trade Commissioner urges the appointment of representatives while the limited agents' community are still open to accept new connections. This advice is equally pertinent to Canadian exporters. The present wave of interest in East Africa may be sufficient, in some cases, for South African representatives of Canadian firms to suggest the inclusion of East Africa in their area. This should not be done under any circumstances without reference to this office, as there are few, if any, South African organizations in a position to cover effectively both the Union and the East African colonies.

CANADIAN TRADE WITH BRITISH WEST AFRICA

The possibilities offered by British West Africa for the sale of Canadian products is not being overlooked by the Canadian exporter as is evidenced by the steady expansion of Canadian exports to these countries during the past few years. It has been exceedingly difficult to remove from the mind of the Canadian manufacturer the long-established idea that West Africa was one of the most remote and inaccessible of the British Colonies with respect to Canada. But when it is considered that the sailing time from St. John to Freetown (Sierra Leone) is from 15 to 16 days, as compared with 72 days to Australia; 38 days to New Zealand; and 28 days to South Africa, a clearer idea of the comparative proximity of the two countries is obtained.

Other factors which favour an extension of trade between these two important sections of the British Empire are: that they each produce commodities required by the other. Canada can absorb each year large quantities of the cocoa beans, palm products, mahogany, peanuts and spices produced in West Africa, and in return these countries require flour, fish, biscuits, canned goods of all kinds, butter, cheese, building materials, paper, wearing apparel, automobiles, coal, etc., which Canada is well able to supply.

In addition to the comparative proximity of the two countries, and to the fact that each requires the products of the other, or perhaps as a result of the above circumstances direct steamship communications have been established between Montreal or St. John and Freetown, Sierra Leone, and regular monthly sailings are being maintained. The outcome of these favourable conditions will be, it is anticipated, a steady growth in the trade between the two countries, which it must be admitted is still in its infancy.

The total exports from the British West African colonies, which include Nigeria, Sierra Leone, the Gold Coast, and Gambia, during 1924 amounted to about \$150,000,000, and the imports for the same period to about \$125,000,000.

The following table shows Canada's share of the import trade for the past three years, giving the principal items supplied by Canada and showing the growth in certain lines.

PRINCIPAL EXPORTS OF CANADIAN PRODUCE TO BRITISH WEST AFRICA FOR YEAR ENDED

Articles Exported	1923	1924	1925
Fish, canned	\$ 1,668	\$ 20,021	\$ 38,791
Flour of wheat	46,087	78,565	138,251
Ale, beer and porter . . . . .	.....	3,379	433
Automobiles and parts thereof	56,946	192,961	188,451
Coal . . . . .	.....	.....	16,548
Glass and glassware	1,295	.....	.....
Newspapers and other printing paper . . . . .	.....	.....	699
Pneumatic tires . . . . .	.....	.....	903
Planks and boards . . . . .	.....	.....	6,817
Roofing material . . . . .	.....	.....	219
Stoves . . . . .	.....	126	238
Other	8,818	17,566	5,561
	<u>\$114,814</u>	<u>\$312,618</u>	<u>\$394,911</u>

In this connection it is interesting to note the remarks of the Comptroller of Customs for Nigeria relative to trade with Canada in the official report for 1924: "Canadian exporters of dry, salt and pickled fish of a good quality, and general produce such as breadstuffs, flour, oatmeal, rolled oats, meat, vegetables, fruits, dairy products, etc., have in Nigeria an enormous market which readily absorbs such products, and which has never been fully supplied."

The Comptroller of Customs for the Gold Coast has this to say in this connection, in his official report for 1924:—

"Our direct trade with Canada in the meantime is small, but it is fairly certain that a considerable quantity of flour and other imported articles having their origin in Canada are credited to the United States of America in the customs statistics, because of existing trade conditions. Efforts made to establish a direct trade between the West Coast of Africa and Canada have hitherto proved disappointing notwithstanding the fact that these territories are favourably situated for trading with each other from a geographical and Empire standpoint."

The above remarks relative to Nigeria and the Gold Coast are equally applicable to the other colonies, and are indicative of the favourable attitude held throughout the colonies with respect to Canada.

HOW TO SECURE BUSINESS IN WEST AFRICA

Canadian exporters interested in developing this market must consider it as a permanent proposition, and not as a dumping ground for surplus stock when home business is quiet, to be withdrawn when local demand is strong. A satisfactory trade can only be built up by persistent endeavour and careful attention being given to the details of specific requirements, shipping and packing. As most of the buying is done in England, it would be desirable to have a representative in England, or at least to keep in touch with the United Kingdom representatives of the West Coast firms who are familiar with the requirements.

A report entitled "West Africa and its Opportunities for Canadian Trade," written by Mr. W. J. Egan as the result of a personal investigation of the market, is available on application to the Department of Trade and Commerce, Ottawa, and is a useful guide to those interested in the trade of these colonies. Readers are also referred to detailed reports on Nigeria, Sierra Leone, the Gold Coast and Gambia appearing in recent issues of the *Commercial Intelligence Journal* which contain detailed information relative to the imports of these colonies not covered by this report.

AUSTRALIAN TARIFF BOARD REPORT ON TIMBER DUTIES

C. HARTLETT, OFFICE OF THE TRADE COMMISSIONER

Melbourne, December 1, 1925.—The Commonwealth Tariff Board has issued its report and recommendations on the application of Australian saw-millers for increased duties on timber imports from foreign countries.

During the course of its investigations the Board held sittings in all the timber producing States and those interested—sawmillers, importers, and users—were given every opportunity to present their case. In its report the Board decided that it was impossible, without inflicting penalties on one or more of the States, while attempting to confer a problematical benefit upon the other State or States, to make any recommendation for a general increase of duties upon the existing high tariff. It recommended, however, substantial increases in the existing rates on timber used for making boxes and cases for the domestic trade of the Commonwealth, and the admission free of New Zealand undressed white pine for butter boxes in place of the present duty of 1s. per 100 superficial feet, as well as the admission free of undressed timber for mining purposes. In the interests of primary industries the Board approved of the existing drawback of duty on cases made from imported timber when used as containers in the export trade.

The principal increases recommended were:—

Item	Description	Present Duty	Recommended
I (1)	Timber, undressed, n.e.i., for the manufacture of boxes as prescribed by departmental by-laws, per 100 super feet	1s.	4s.
(2)	Timber, undressed, cut to size for making boxes, per 100 super feet	5s.	8s.
J (1)	Timber, for making boxes, being cut to size and dressed or partly dressed, per 100 super feet	6s.	* 9s.

The general impression is that the recommended amendments to the tariff will not be made unless the investigation should be re-opened at some future time. Confirmation of this may be inferred from the fact that the recommendations were before the Minister of Trade and Customs some months prior to the amendment of many other tariff items which went into operation early in September last.

AUSTRALIAN OVERSEAS TRADE

C. HARTLETT, OFFICE OF THE TRADE COMMISSIONER

Melbourne, December 1, 1925.—Recently issued statistics of the overseas trade of Australia for the first three months—July to September—of the current financial year ending on June 30, 1926, show a total trade of £62,132,553, of which £34,303,865 represented imports and £27,828,688 exports—the excess of imports over exports being £6,475,177.

In comparison with the corresponding period of last year, the imports decreased by £3,120,792 while the exports increased by £1,812,614. Amongst items of general interest to Canadian manufacturers and exporters, the imports of canned fish show a contraction of £126,361 but this is largely due to the large shipments made earlier in anticipation of the operation of the Canadian-Australian Trade Treaty. Other decreases were boots and shoes by £16,652; electrical machinery and appliances by £152,667; agricultural machinery and implements by £56,667 and other machinery by £402,339; metal tubes and pipes by £68,952; tools of trade by £59,039; chassis for motor cars by £154,495; iron and steel wire by £47,432; rubber manufacturers by £73,591; printing paper by £133,316; and pianos and parts by £39,071. Substantial increases, however, are recorded for paper pulp, vehicle parts, undressed timber, writing and type-writing paper, and calcium carbide.

The principal exports with their values are: butter, £621,321; flour, £1,788,748; wheat, £1,898,224; wool, £10,243,514; frozen mutton and lamb, £186,665; and beef, £1,220,673.

The values of the Australian imports and exports, under general classifications, during the first three months of the fiscal years 1924-25 and 1925-26 are appended for the purpose of comparison.

Imports	July to Sept. 1924-25	July to Sept. 1925-26
	£	£
Foodstuffs of animal origin.. . . .	425,643	288,981
Foodstuffs of vegetable origin.. . . .	1,578,057	1,523,508
Spirituos and alcoholic liquors.. . . .	489,996	462,929
Tobacco and preparations thereof.. . . .	536,481	713,073
Live animals.. . . .	53,680	54,922
Animal substances not foodstuffs.. . . .	327,453	286,561
Vegetable substances and fibres.. . . .	688,318	818,791
Apparel, textiles, etc..	11,153,815	9,870,530
Oils, fats and waxes.. . . .	2,329,132	2,499,657
Paints and varnishes.. . . .	160,253	136,669
Stones and minerals, ores, etc..	124,556	172,843
Metals, machinery, etc..	11,474,956	9,674,715
Rubber and leather manufactures.. . . .	859,299	1,096,999
Wood and wicker manufactures.. . . .	1,292,122	1,310,938
Earthenware, chinaware, etc..	668,306	526,174
Paper and stationery.. . . .	1,630,850	1,549,288
Jewellery and fancy goods.. . . .	736,816	701,085
Optical and surgical instruments.. . . .	393,905	405,464
Drugs and chemicals.. . . .	1,066,679	989,988
Miscellaneous.. . . .	1,421,002	1,115,540
Gold and silver.. . . .	13,338	105,210
	£37,424,657	£34,303,865

Exports	July to Sept. 1924-25	July to Sept. 1925-26
	£	£
Foodstuffs of animal origin.. . . .	2,832,313	2,807,572
Foodstuffs of vegetable origin.. . . .	5,801,894	6,320,942
Spirituos and alcoholic liquors.. . . .	66,546	80,185
Tobacco and preparations thereof.. . . .	148,322	154,640
Live animals.. . . .	35,099	38,690
Animal substances, not foodstuffs.. . . .	11,458,568	13,417,113
Vegetable substances and fibres.. . . .	373,311	219,374
Apparel, textiles, etc..	150,897	132,468
Oils, fats and waxes.. . . .	394,764	501,702
Paints and varnishes.. . . .	11,902	17,418
Stones and minerals, ores, etc..	831,921	748,072
Metals, machinery, etc..	1,689,566	1,814,328
Rubber and leather manufactures.. . . .	231,664	213,417
Wood and wicker manufactures.. . . .	482,862	419,941
Earthenware, chinaware, etc..	29,729	26,157
Paper and stationery.. . . .	56,608	60,418
Jewellery and fancy goods.. . . .	38,581	41,251
Optical and surgical instruments.. . . .	44,482	46,619
Drugs and chemicals.. . . .	144,716	169,284
Miscellaneous.. . . .	176,789	293,051
Gold and silver.. . . .	1,015,540	806,046
	£26,016,074	£27,828,688

BRUSSELS COMMERCIAL FAIR

The 7th Official International Commercial Fair, organized under the distinguished patronage of H.M. the King of the Belgians, by the Municipality of the Town of Brussels, with the co-operation of the Government, will be held in the gardens and halls of the Cinquantenaire, Brussels, from April 7 to April 21, 1926. Interested Canadian producers are advised to communicate with the Belgian Consul-General, Ottawa, for further details.

FLOUR TRADE OF THE BRITISH WEST INDIES AND BRITISH GUIANA

TRADE COMMISSIONER H. R. POUSSETTE

I

Port-of-Spain, Trinidad, December 10, 1925.—Of all the commodities that Canada exports to British Guiana and the Eastern group of the British West Indies, flour is the most important, as evidenced by the ratio which this commodity bears to the total imports of Canadian goods. Canadian flour is now strongly entrenched in these markets. Its superior qualities are recognized, and in addition it has behind it the powerful influence of the tariff preference.

An examination of the annual import returns of flour so far back as 1911, illustrates the effect of the Trade Agreement entered into between Canada and some of the British West Indian colonies in 1912. As they may be interesting to exporters, they will so far as they relate to Trinidad, Barbados and British Guiana, be briefly reviewed. In 1911, Trinidad's total imports of flour were 244,868 bags (196 pounds), of which Canada supplied 64,707 and the United States 166,485 bags. The following year the total imports were 249,175 bags, of which Canada supplied 69,559 and the United States 166,531 bags. The influence of the agreement had not yet commenced to be felt, but it was apparent in the next year, as during 1913, of 271,247 bags of flour imported into Trinidad, the Dominion supplied 138,616 against 128,871 bags from the United States. Heretofore the United States had been supplying the bulk of the flour, but from 1913 onwards, it will be found that the share of that country steadily declined, until in 1924 of the total imports of 289,624 bags, the United States supplied only 14,795 as against 266,103 bags shipped by Canada. Putting these figures into percentages, it will be found that in 1911 Canada's share of Trinidad's flour trade only amounted to 26 per cent, while the share of the United States was 67 per cent. In 1924 the trade figures, as a result not only of the 1912 agreement but of the later one negotiated in 1921, show a complete reversal of the position, for in that year Canada's percentage of the flour trade was no less than 92 per cent, while that of the United States had sunk to 5 per cent. In the previous year, i.e. 1923, the Dominion's percentage was higher, being up to just under 98 per cent. The reason for the smaller percentage in 1924 was in all probability due to the offering of soft wheat flour from the United States at a price sufficiently attractive to offset the effect of the tariff preference. In passing it might be mentioned that in 1911 nearly 12,000 bags of flour were imported from Argentina, and the following year 10,389. Last year the imports from that Republic only amounted to 2,900 bags.

Turning to Barbados it will be noted that the effect of the 1912 agreement was not quite so immediate in its influence on the Dominion's trade with that colony; yet it shows that after this was once felt, it steadily increased, although at no time has it been so strong as in the neighbouring colony of Trinidad. In 1911 out of 89,977 bags imported by Barbados, Canada was responsible for 40,832 against 46,832 credited to the United States. In the following year the figures were: total bags imported 103,897, Canada's share 39,414, United States 57,706. In 1913, the first full year in which the agreement operated, the total flour imported was 87,411 bags, of which Canada supplied 42,113 and the United States 44,501. From then on, the effect of the treaty became more perceptible as will be noted by the figures appended below.

As a purchaser of Canadian flour, British Guiana comes between Trinidad and Barbados. As with the other colonies, it will be found that in British Guiana prior to the Canada-West Indies Trade Agreement negotiated in 1912, the United States had easily the major portion of the flour trade of that colony.

In the year ending March 31, 1912, out of 176,317 bags imported, Canada's share was only 44,361 in comparison with the United States' 130,735 bags; in percentages these work out at 25 per cent Canada, and 74 per cent to the United States. The following year the total imports were 199,437 bags, of which Canada's share was 57,844 and that of the United States 136,124 bags. About this time apparently British Guiana followed the example of the other colonies and changed the date of ending its financial year from March to December, thus making it conform to the calendar year. It was in the full calendar year 1913 that the effect of the agreement became apparent. In that year of the total imports of 162,653 bags, Canada's share was 51 per cent against the United States' 47 per cent. The following year Canadian flour became still more firmly established, and from then on, with minor fluctuations, it has maintained its place.

The history of the flour trade with the Windward and Leeward groups of islands from 1911 will not be traced in this report, as the imports into each individual island is comparatively small. To enable readers to arrive at an estimate of the trade, the figures for 1923 for the various islands are given below.

Imports of Flour into the Colony of Trinidad and Tobago for the years 1911-24

Year	Total	Canada		United States	
		Bags	Per Cent	Bags	Per Cent
1911	244,868½	64,707	26	166,485½	67
1912	249,175	69,599	28	166,531	67
1913	271,235	138,616½	51	128,871	47
1914	275,247	203,310	73	71,906	26
1915	248,833½	204,090	82	44,497	10
1916	289,599	222,515	76	67,028	23
1917	239,575	197,845	82	41,651	17
1918	226,431	217,016	95	9,413	04
1919	320,309	267,484	83	41,437	12
1920	296,788	241,419	81	47,699	16
1921	270,257	245,705	90	24,380	09
1922	303,761	281,889	92	15,469	05
1923	311,671	304,616	97	5,339	01
1924	289,624	266,103	91	14,795	05

Imports of Flour into the Colony of Barbados for the years 1911-23

1911	89,977	40,332	45	46,678	52
1912	103,897	39,414	37	57,706	55
1913	87,411	42,113	48	44,501	51
1914	84,187	48,110	57	35,960	43
1915	66,347	41,656	63	24,678	37
1916	83,132	57,160	68	25,903	31
1917	65,662	45,422	69	19,096	30
1918	71,190	53,172	74	17,899	25
1919	108,139	75,823	70	31,633	29
1920	141,079	115,788	82	25,132	17
1921	98,392	80,954	82	15,967	16
1922	71,385	59,576	83	11,789	16
1923	90,320	72,249	79	17,663	19

Imports of Flour into the Colony of British Guiana for the years 1911-24

1911	176,317	44,361	25	130,735	74
1912	199,437	57,844	29	136,124	68
1913	162,653	83,918	51	78,052	47
1914	179,577	135,256	75	44,263	24
1915	154,623	125,419	81	29,058	18
1916	183,135	148,541	81	33,756	18
1917	142,877	103,449	72	39,026	27
1918	122,626	109,870	89	11,753	09
1919	169,888	144,544	85	21,853	12
1920	147,228	123,123	83	21,276	14
1921	160,321	145,937	91	8,352	05
1922	155,343	149,821	90	5,115	03
1923	185,703	179,626	96	5,735	03
1924	172,031	170,578	99	1,402	08

	Canada Pounds	United States Pounds	Total Pounds
Windward Islands-St. Vincent	2,796,055	710	2,796,765
Grenada	4,294,444	180,730	4,475,174
St. Lucia	3,533,194	2,327	3,535,521
Total	10,623,693	183,767	10,787,460
	Bags	Bags	Bags
Leeward Islands-Antigua.. . . .	16,213	701	16,914
St. Kitts-Nevis	25,212	275	25,487
Dominica.. . . .	13,578	386	13,964
Montserrat	4,654	18	4,911
Virgin Islands .. . . .	.....	3,399	3,400
Total	59,657	4,779	64,676

To bring the figures for the import of flour into Trinidad, Barbados and British Guiana up to date, it may be mentioned that for the first ten months of the present year, Trinidad imported a total of 229,898, of which Canada supplied 176,809 and the United States 3,734 bags. During this period British Guiana imported a total of 123,892, of which Canada supplied 119,510 and the United States 6,940 bags. The totals for Barbados are not available, but during the January-October period, Barbados imported from Canada 33,495 and from the United States 10,686 bags.

VENEZUELAN TRADE

Unfortunately it is difficult to obtain figures for the imports of flour into Venezuela. The trade returns show the imports into the Republic by ports, and for each country separately. Canada is not mentioned on the assumption that her total trade is not sufficient to warrant her having a place of her own.

It can be assumed however, that of the trade credited to the United States a large proportion of it rightly belongs to Canada for flour exported through the port of New York. It is well known that considerable quantities of Canadian flour are going into Venezuela at the present time. From the figures available, it would seem that during 1922, 15,000 metric tons of flour were imported into Venezuela from the United States, and 17,309 tons in the following year.

Flour is imported into Venezuela in 196- and 98-pound bags, the former for the baking trade, and the latter for the domestic trade. According to reports no soft wheat flour is imported into the Republic. The flour trade is very largely in the hands of one firm, who sell mainly under their own brand.

With regard to terms, in Venezuela it is said that it is useless to try to sell flour in that Republic on a basis other than sixty days from sight. Canadian millers will probably be well advised to confine their business to firms of the best standing. United States flour is in a strong position which is quite understandable with the advantage that United States millers have in steamship connection.

COMPETITION

There is a fairly large number of Canadian and American mills competing for the flour trade of the West Indies, but it can be stated that so far as hard wheat flour is concerned very little is shipped by the latter. Up to a few months ago, there were no less than 21 shippers competing for the trade of Trinidad. Of these 15 were mills, and the remainder were represented by commission houses. Some of the mills sell three or four different brands in order to compete for the various classes of trade. Taking them altogether, there are, or were up to about two months ago, no less than 76 different brands being sold in the Trinidad market representing the various grades of flour actively in demand.

GRADES OF FLOUR

For those unfamiliar with West Indian grading, it may be explained that locally, flour is classified into three grades known as "Bakers", "Extras" and "Supers".

The "Bakers" grade corresponds to the Canadian First, Second and Export Patents. The "Extras" are sub-divided into high grade and low grade, the former corresponding to the Spring Fancy Clear, and the latter to First Clears, while "Supers" correspond to the Canadian Second Clear. "Supers" are known locally as brown flour; it is only in demand when the better grades of flour are beyond the means of the poorer classes.

To show the demand for the various Canadian classifications, during the crop year, September 1, 1924, to August 31, 1925, there were imported into Trinidad of the First Patent 2,000 bags, of the Second Patent 111,000 bags and of the Export Patent 14,000 bags. Of the Fancy and First Clears a total of 117,000 bags were imported, of which 20,000 were Spring Fancy Clears, 11,000 First Spring Clears and 86,000 bags Winter First Clears. Of the Spring Second Clears there were imported 26,000 bags.

When reviewing the above figures it will be noticeable that the sale of "Extras" holds a predominant place over the other grades. This is accounted for by the fact that this grade is sold mainly to the shop-keeping trade who cater to the native element, and is quite easy to understand in view of the fact that their purchasing power is limited.

Usually it is only during the first three months of the Canadian crop year that is, September, October and November, that Winter Wheat flour is sold in the markets of the British West Indies, this being due to market conditions in connection with the Winter Wheat crop. One characteristic that helps to sell soft wheat flour in the shops is its colour. The poor people who purchase their flour very often in as small a quantity as a pound at a time, if they see it to be white think it a better grade. They are not aware that hard wheat at an equal price would give them better results in what corresponds to their home made bread. It is stated in regard to this, that unless the low grades of hard wheat flour are bleached that they cannot compete against the low grade of soft wheat flour on an equal footing, the latter being sold largely on appearance and price.

VALUE OF UNITED STATES FARM CROPS

TRADE COMMISSIONER FREDERIC HULL

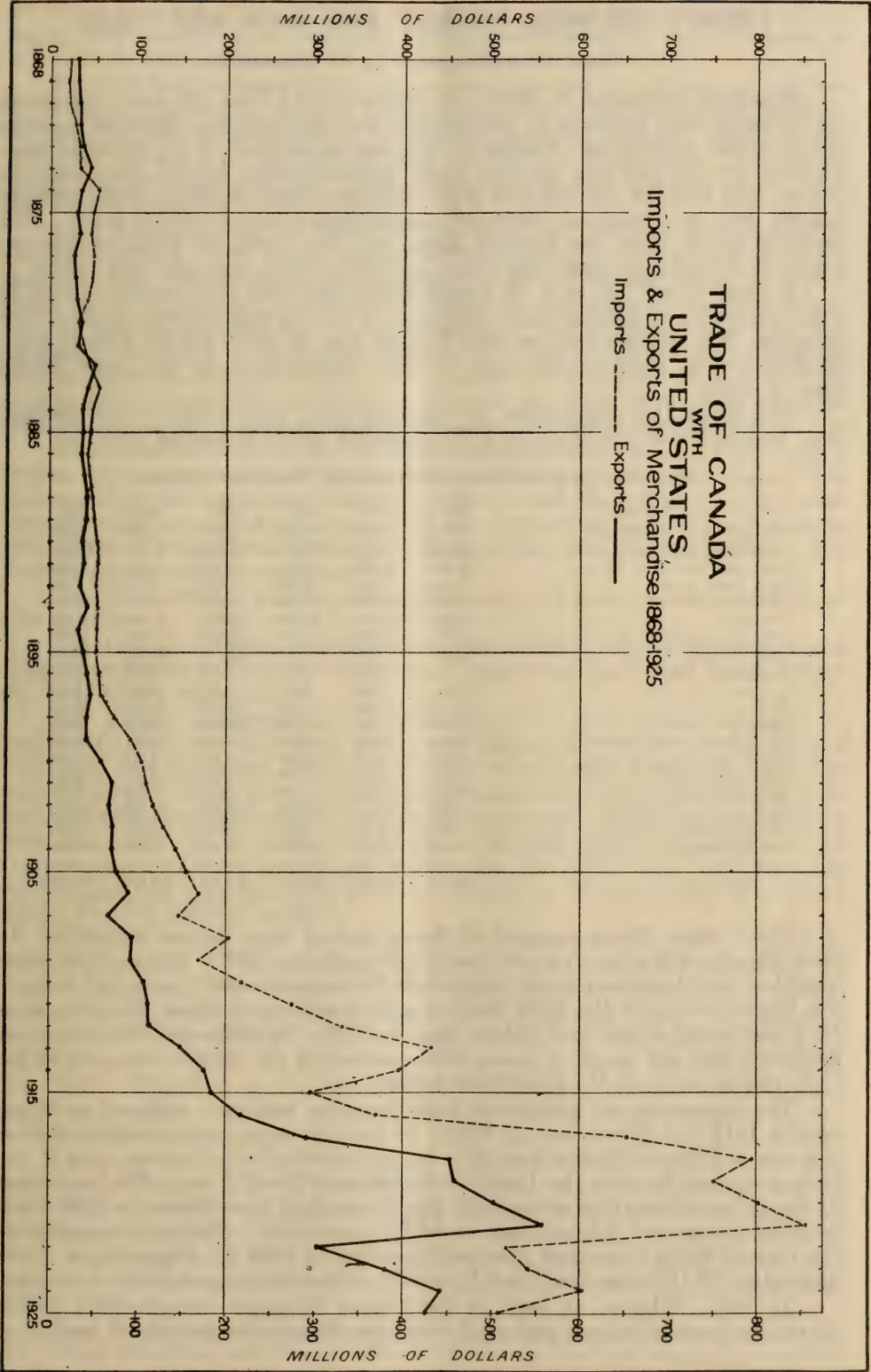
New York, January 5, 1926.—According to a report issued by the United States Department of Agriculture, the total value of farm crops in the United States in 1925 was \$9,615,000,000, as compared with \$10,062,000,000 in 1924. The report states that production in 1925 showed a significant readjustment in favour of live stock producers. The Department places its index of the purchasing power of thirty farm products at 87, the five-year period of 1909-14 being used as a base of 100. Analyzed by commodities, the report shows the unit exchange values of cotton, corn, hay, beef, cattle, and hogs are all lower than the five-year average, while those of wheat, potatoes, eggs, butter, and wool are higher.

With a total of \$3,810,713,000, the gross value of grain crops produced in the United States during 1925 fell \$708,000,000 below the 1924 total in spite of increases in the quantity of production in 1925. This estimate is based on farm prices as of December 1, 1925.

TRADE OF CANADA WITH THE UNITED STATES

The drawing on the opposite page illustrates graphically the trend of Canada's trade with the United States from 1862 up to March 31, 1925.

Since 1873 with the exception of two years, 1880 and 1882, there has been a consistent adverse balance, offsetting, to a certain extent, Canada's trade with Great Britain during the same period where there was a heavy favourable balance.



CHINA'S GROWING MARKET FOR IRON AND STEEL

TRADE COMMISSIONER L. M. COSGRAVE

Shanghai, December 2, 1925.—In recent years China has been consuming increasingly large amounts of foreign iron and steel despite unsettled political and economic conditions. Taking the average importation of the principal commodities for the last four pre-war years, approximately 182,700 gross tons per annum, and that for the last four post-war years (1921 to 1924), approximately 323,500 tons per annum, an increased consumption of 77 per cent is noted. The products which show the greatest gains are bars, rails, tin plate, sheets and plates, plate cuttings, pipes and tubes, galvanized wire, and nails and rivets.

A total of 547,706 tons of foreign-made iron and steel entered China in 1924, according to official trade statistics of the various Chinese ports. This compares with 347,064 tons in 1923, 375,500 tons in 1922, 292,701 tons in 1921, 397,350 tons in 1920, 345,780 tons in 1919, 261,252 tons in 1913, and 168,872 tons in 1912.

Details of the importation of iron and steel into China in the pre-war year 1913 and the past five years are presented in the following table:—

Imports, in gross tons, of Iron and Steel into China

Articles	1913	1920	1921	1922	1923	1924
Pig iron and kentledge	7,900	10,875	2,196	4,900	3,960	6,260
Scrap and old steel	42,900	57,100	28,250	63,000	41,000	48,000
Iron and mild steel bars	35,400	80,000	41,700	55,900	69,300	115,300
Mild steel hoops	5,480	7,345	2,420	3,695	6,175	8,460
Galvanized sheets	13,500	15,750	9,100	19,300	18,700	19,600
Tin plate	21,640	36,050	24,800	15,800	31,100	53,600
Iron and mild steel sheets and plates . .	21,340	40,900	21,300	30,400	28,200	44,600
Plate cuttings	21,400	29,800	18,450	36,150	23,700	38,750
Angles and tees . . . . .	.....	9,600	6,850	7,120	8,240	13,850
I beams . . . . .	.....	1,460	2,940	3,660	3,565	4,950
Rails	17,850	18,480	64,200	43,850	23,300	55,500
Pipes and tubes	3,865	15,000	14,500	13,270	15,470	16,450
Wire shorts and cobbles	20,300	21,850	10,380	22,950	25,050	28,500
Plain wire	3,640	4,149	1,870	3,250	1,810	2,600
Galvanized wire	3,927	4,900	4,680	5,180	5,220	9,030
Nail rods	7,330	640	705	580	524	681
Nail and rivets	19,630	21,200	15,220	23,700	17,320	39,700
Bamboo steel bars, etc.	8,300	8,100	4,900	4,315	6,480	8,625
Miscellaneous	6,850	14,060	18,240	18,480	17,950	33,300
Total	261,252	397,350	292,701	375,500	347,064	547,706

The United States supplied 17.8 per cent of the Chinese receipts of the more important foreign iron and steel products during 1923. Although twice the weight of the American goods shipped to China in pre-war years, the share of the United States in the 1923 trade was proportionately about the same as in 1912 and about 6 per cent better than in 1913. In 1919 and 1920 American producers had led in the Chinese field, accounting for 45 per cent and 42 per cent, respectively, of the total importation.

The proportion of takings of American iron and steel dropped to 40 per cent in 1912 and 30 per cent in 1922. In the four years immediately following the war the United States was first in the market but before the war it had been surpassed by both the United Kingdom and Hong Kong. The proportion of the entire exportation of iron and steel from the United States in 1923 which went to China was 2.6 per cent or 52,327 gross tons. Statistics compiled by the United States Consulate General show that in 1924 the shipments to China aggregated 57,126 gross tons, or 3.1 per cent of the total export trade of the year.

In 1923, Belgium as well as the United Kingdom exceeded the United States in the sale of iron and steel to China, Belgian contributions amounting

to nearly 20 per cent of the entire importation. Hong Kong with 13 per cent, Japan with nearly 10 per cent and Germany with nearly 7 per cent were the next largest sources of supply.

By 1922 Belgian competition had become formidable, and now has regained its commanding position in the Chinese importation of iron and mild-steel bars; in 1923 Belgium supplied nearly one-half of the entire receipts. Between one-fifth and one-sixth of the imports were credited to Hong Kong. The United States was next in order, and considerable tonnages were received from Japan, the United Kingdom, and Germany.

Over two-thirds of the 1923 trade in mild-steel hoops was conducted by British exporters. The United States has been losing ground in this particular line, the 1923 shipments having amounted to only 411 tons, which is slightly under the pre-war level. In 1919, 1920, and 1921 American concerns accounted for an average of 1,800 tons per annum. The United States has been pre-eminent in the trade in steel rails, exporting to China 13,270 tons in 1923, 20,100 tons in 1922, 50,550 tons in 1921, 7,610 tons in 1920, 43,500 tons in 1919, 7,165 tons in 1913, but only 6 tons in 1912. With the exception of 1912, the American product was far in advance of other competitors; in 1912 Russia led in the trade.

More than one-half of the tin plates imported into China in 1923 were of British manufacture and about one-fourth were from the United States. The major part of the remaining shipments were through Hong Kong. The United Kingdom also accounted for one-half of the Chinese takings of plate cuttings, one-fourth of which was credited to Hong Kong and the other fourth was divided among several countries.

The United States was the outstanding source of plate cuttings in 1922 and also in 1920.

The United Kingdom supplied over two-thirds of the galvanized sheets received in China in 1923, or 13,400 tons. Japan and the United States divided the bulk of the remainder.

The United Kingdom and Belgium were the chief contestants for the business in iron and mild steel sheets and plates, the former having shipped 7,500 tons and the latter 7,940 tons in 1923. Japan with 4,660 tons, Germany with 3,515 tons, Hong Kong with 3,015 tons, and the United States with 1,014 tons, accounted for nearly all of the remaining tonnage. British merchants have been consistent for a number of years in keeping about one-fourth of the Chinese trade in these sheets and plates. On the other hand, the American product has not maintained its position, though in 1919 and 1920 the United States was the leading supplier.

Of 15,470 tons of pipes and tubes imported into China in 1923, 5,170 tons came from Japan, 4,720 tons from the United States, and 4,175 tons from the United Kingdom. The position of the United States with reference to this product has been much improved, compared with pre-war years. Belgian producers, who had accounted for fairly heavy tonnages in 1921 and 1922, shipped only 612 tons in 1923. In the early post-war years Japan, the United States, the United Kingdom, and Canada were the leading sources of the Chinese imports of angles, tees, and joists. Recently Belgium has occupied first place in this trade.

Nearly one-half of the 1923 imports of wire shorts and cobbles came from the United Kingdom. The United States, Belgium, and Germany accounted for most of the remainder. Germany, Hong Kong, Japan, the United Kingdom, Belgium and the United States were all important sources of the galvanized and plain wire imports in 1923. Germany, Belgium, and the United States each accounted for more than one-fifth of the Chinese imports of nails and rivets during 1923.

Hong Kong was next in importance, followed at a considerable distance by the United Kingdom and Japan. Much of the pig iron and kentledge received

in China came from Japan, which furnished 1,148 tons in 1923. The United Kingdom was the next largest supplier for that year, and Hong Kong, Korea, and Russia were also prominent in the trade.

The above brief outline of the iron and steel trade will serve to indicate the startling growth of China's industries during the post-war years, and in the writer's opinion, justifies the serious consideration of Canadian producers. When it is considered that much of these importations particularly from Continental houses have neither the geographical or transportation advantages existing between Canada and China, it stands to reason that the discrepancy is almost solely due to the lack of aggressiveness and efficient representation in the China market. Practically all the important suppliers to this country either maintain their own offices or an expert foundry representative attached to a responsible engineering firm established in China together with sufficient consignment samples to illustrate and demonstrate the products of the foreign firm concerned.

The writer has discussed the question of Canadian products with numerous important engineering firms on this side, who, though fully aware of Canada's ability to supply, and the quality of her products, are practically unanimous in pointing out the necessity of responsible resident representatives.

This office is prepared to co-operate in every way and supply detailed data regarding this market to interested firms, but the writer strongly urges such firms to analyse the possibilities of this large and growing market, by a personal visit, prior to making any definite attempt to establish a permanent footing in China.

MOTOR BUS TRADE IN CEYLON

The extraordinary suddenness with which the motor bus trade has developed in Ceylon is one of the outstanding events of the past two years, according to *Indian and Eastern Motors*. In fact it was only two years ago that the bus first came into public notice. Up to then it was almost an unknown quantity in the streets of the city and the island, except in some distant up-country places where they complemented the train service by carrying mails and passengers to places beyond the reach of the railway service. To-day, however, there is hardly an important town in the island which a bus does not serve, and it is proving a sore menace to the Ceylon Government Railway.

An idea as to the wonderful popularity of this mode of conveyance may be gained from the figures available for the past few years of motor buses registered for hiring purposes by the Colombo municipality. In 1921 only 4 buses were registered, in 1922 only 6. In 1923 this figure jumped to 20, in 1924 to 44, and up to September this year the figure is 97. These figures do not, of course, take into account the large number of buses registered at the various outstations, but, nevertheless, they accurately represent the true position with regard to the bus traffic in the island.

LAST YEAR'S IMPORTS

In his interesting annual report for the year 1924, Mr. W. T. Southern, the Principal Collector of Customs, dwelt a length on the large increase of motor imports in Ceylon during the year. According to his report, there was an increase of over 20 per cent in the number of cars imported. Increase in number of cars imported from the United Kingdom nearly 150 per cent; 40 per cent increase in number imported from the United States of America. Canada alone showed a considerable off-fall, both in quantity and value, and now ranks second to the United States in numbers and third in value of imports. The enormous increase in the number of British cars is a happy sign of the growing popularity of the products of the home market. The average value of American

cars imported was Rs. 2,732, of English cars Rs. 3,573. There was an enormous increase (over 150 per cent) in the number of lorries imported; imports from the various countries increased by the following percentages: Canada, 128 per cent; United States of America, 174 per cent; United Kingdom, 187 per cent. The number of motor cars imported in 1923 was 968 of the total value of Rs. 2,473,439 and the number of lorries 318, of the total value of Rs. 891,689. In 1924, the number of cars imported was 1,175 of the value of Rs. 3,157,734 and the number of lorries 800 of the total value of Rs. 2,168,158.

ECONOMIC SITUATION IN CHILE

TRADE COMMISSIONER E. L. McCOLL

Buenos Aires, December 7, 1925.—In spite of recent labour disturbances and the temporary disconcerting political situation over Tacna-Arica, Chilean industry is holding its own, as is shown by its foreign trade and the rate of exchange of the Chilean peso. A national plebiscite has given the country a new constitution which promises to do much in favour of the country's optimistic future. Much good is expected to result from the mission which is studying the national finances with the object of making recommendations to the Government. A central bank of issue known as the *Banco Central de Chile* is being formed, and will have the sole right to issue currency notes, which will result in the fixing of the value of the peso at 6d. gold. This is a depreciated currency from the old parity of 18d., but it will be stable, and this decision to adopt a new parity seems to be meeting with general satisfaction.

The index of the cost of living on the basis of 100 for 1913 shows a steady rise. The cost of living for 1924 was 186 and now stands at 212. The monthly amount of transactions in the stock exchanges of Santiago and Valparaiso show a gradual increase of approximately 100 per cent from October, 1924, while during the same period the average valuations of the leading stocks show a decrease in value of 13½ per cent.

The export of nitrate, which is the backbone of the country, for the nine months from January to September, 1925, amounted to \$77,350,000 (Canadian) against \$73,850,000 for the same period of last year.

The undermentioned imports are the most important items listed in the statistics covering the first nine months of 1925 and 1924:—

Article	Unit	Quantity	1925	Quantity	1924
			Value in Canadian Dollars		Value in Canadian Dollars
Iron wire	Kilos	6,822,797	\$ 542,000	8,329,266	\$ 651,000
Motor cars.	No.	529	692,000	579	584,000
Calcium carbide	Kilos	4,347,562	284,000	1,699,799	111,000
Cement	Kilos	39,219,298	573,000	53,433,266	824,000
Dynamite	Kilos	2,686,853	906,000	1,808,304	759,000
Corrugated sheet iron.	Kilos	3,737,529	295,000	2,429,227	237,000
Plain sheet iron	Kilos	5,370,918	392,000	4,924,761	332,000
Bar iron.	Kilos	17,498,485	1,108,000	27,932,467	1,645,000
Pine lumber	Sq. M.	1,770,410	485,000	1,438,554	461,000
Printing paper.	Kilos	12,991,473	1,119,000	11,259,504	932,000

TARIFF CHANGES AND CUSTOMS REGULATIONS

New Zealand Flour Import Regulations

Regulations in effect under the New Zealand Food and Drugs Act, contain the following paragraph respecting flour:—

Flour shall be the fine, clean, and sound product obtained by bolting wheatmeal. It shall not be artificially bleached, nor shall it be sprayed at any stage of its production. It shall contain not more than fourteen parts per centum of moisture, not less than one and three-tenths parts per centum of nitrogen, not more than five-tenths parts per centum of fibre, and shall yield not more than one part per centum of ash. It shall not contain any added substance.

Draft New Haitian Customs Tariff

Trade Commissioner James Cormack, writing from Kingston, Jamaica, under date December 24, 1925, states that he is in receipt of the new "Projet de Tarif à l'Importation" from Haiti, and sends a copy thereof, with translation and index in English, to this Department.

It is expected that the new tariff will be voted on by the Conseil d'Etat in April next and, while liable to be put in force at any time thereafter, will probably be promulgated some time in the autumn.

In form, the draft submits a much more simplified tariff than that now in use, with its duties and various surcharges. Surcharges are now dispensed with, and one rate only is largely used. In principle, it increases duties on luxuries and decreases those on cheaper articles. Goods such as wines, liquors, whisky, perfumes, silk and linen are subject to considerable increases, while the duty on imported cottons has been decreased. Taking the total volume of imports for the year 1922-23 as a basis, the duty payable under the new proposed tariff would only increase the revenue from duty on imports by about 2 per cent had it been in force then. When the new tariff becomes law it will be reported on, *in extenso*, by the Trade Commissioner.

TENDERS INVITED

A responsible firm on the West Coast of Mexico are prepared to receive tenders for the construction and delivery of six vessels for use in coastal trade, to the following specifications:—

Four vessels of 200 tons each, 9 feet draught.

Two vessels of 400 tons each, 10 feet draught.

To be equipped with sails and provided with auxiliary oil or gasolene engines of sufficient power to give a speed of from $7\frac{1}{2}$ to 8 miles per hour.

Reserve oil capacity sufficient for 300 miles.

No passengers to be carried, but cargo space to be as large as possible, and accommodation to be provided for crew.

Estimates may be for either wooden or steel hulls. Quotations may be submitted for second-hand vessels, if in good condition. Plans, specifications, prices, terms of payment, and time required for delivery at a port on the Gulf of California, should be submitted in the first place to the Canadian Government Trade Commissioner, Apartado Postal No. 126-bis, Mexico City, Mexico.

FOREIGN TRADE OF URUGUAY IN 1925

Uruguay is likely to show the largest foreign trade movement in 1925 of any year during the last four, according to figures published in the September number of the *Boletín del Ministerio de Hacienda*. Up to the end of August, imports for the present year were valued at 47,027,419 pesos, or 20 per cent greater than for the same period in 1924, while exports of Uruguayan products were valued at 73,702,588 pesos, or about 6 per cent less than the total up to August 31, 1924. This represents a diminished balance of trade in favour of the country from 38,622,228 pesos to 26,675,169 pesos for the period under review. However, the 73,702,588 pesos represent approximately actual values for the exports, whereas the 47,027,419 pesos, corresponding to imports, fall short of the true value of the merchandise by about 30 per cent.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING JANUARY 11, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending January 11, 1926. Those for the week ending January 4, 1926, are also given for the sake of comparison.

	Parity	Week Ending	
		January 4, 1926	January 11, 1926
Britain	1.00	\$4.86	\$4.8575
Czecho-Slovakia	1.	.203	.0296
France	1.	.193	.0383
Italy	1.	.193	.0404
Holland	1.	.402	.4024
Belgium	1.	.193	.0453
Spain	1.	.193	.1412
Portugal	1.	1.08	.0526
Switzerland	1.	.193	.1983
Germany.. . . .	1.	.238	.2382
Greece	1.	.193	.0130
Norway.. . . .	1.	.268	.2035
Sweden.. . . .	1.	.268	.2685
Denmark	1.	.268	.2475
Japan	1.	.498	.4312
India	1.	2s.	.3675
United States	1.	\$1.00	1.0000
Mexico.. . . .	1.	.498	.4885
Argentina	1.	.424	.4137
Brazil	1.	.324	.1487
Roumania	1.	.193	.....
Jamaica	1.	4.86	4.8681
British Guiana	1.	1.	.....
Barbados.. . . .	1.	1.	.....
Trinidad	1.	1.	.....
Dominica	1.	1.	.....
St. Kitts	1.	1.	.....
Grenada.. . . .	1.	1.	.....
St. Vincent.. . . .	1.	1.	.....
Tobago	1.	1.	.....
Shanghai, China.. . . .	1.	.708	.5850
Batavia, Java	1.	.402	.4050
Peru.. . . .	1.	4.86½	3.9200
Singapore, Straits Settlements .. \$	1.	.567	.5718

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TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBER DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

36. SALMON, LOBSTER, TROUT, AND ALL CANNED FISH; FRUITS.—A first-class concern, having a very good connection in the above lines, would like to represent Canadian exporters.

37. CANNED SALMON.—An important Newcastle firm wish to get in direct touch with a Canadian packer.

38. CANNED LOBSTER.—An old-established Newcastle firm with branches throughout the United Kingdom are open to correspond with any Canadian packers who are prepared to give the most careful attention to the needs of this market.

39. FROZEN SALMON.—An important Newcastle firm of fish dealers are open to handle Atlantic frozen salmon.

40. DRESSED POULTRY.—A Newcastle importer would like to establish a connection with Canadian shippers on either a buying or commission basis.

41. **CANNED FRUITS.**—An important Newcastle firm is interested in receiving offers from Canadian packers.

42. **MACARONI.**—A Newcastle importer with extensive connections is interested in buying direct from Canadian manufacturers.

43. **PROPRIETARY FOODS.**—An established Newcastle house is open to consider the agency for a Canadian proprietary cereal or other foodstuff manufacturer not already represented in this country.

Miscellaneous

44. **OATS.**—A Newcastle importer wishes direct c.i.f. offers on No. 2 C.W. and lower grades for outright purchase.

45. **OATS.**—An established Newcastle importer invites offers from Canadian shippers on a buying basis.

46. **WHEAT.**—An important Newcastle merchant seeks direct c.i.f. offers from Canadian exporters.

47. **HAY.**—An old-established Newcastle hay merchant invites correspondence from Eastern Canadian hay shippers. Is in the market for purchase in 100-ton lots c.i.f. Newcastle.

48. **HAY.**—A North of England hay dealer wishes quotations c.i.f. Newcastle on No. 2 clover mixture.

49. **HOSIERY.**—A Newcastle merchant invites offers and samples from Canadian manufacturers of silk, artificial silk, and cotton hosiery.

50. **BIRCH LOGS.**—A Newcastle firm of brokers are open to correspond with Canadian shippers.

51. **DOUGLAS FIR.**—A Newcastle firm of brokers are interested in getting in touch with Canadian shippers.

52. **HARDWOOD SQUARES.**—A Newcastle firm wishes Canadian quotations on hardwood squares in dimensions in inches as follows: 22 by 4½ by 4½; 22 by 5 by 5; 75 per cent to be die-squared.

53. **BEECH SHIPYARD WEDGES.**—A Newcastle firm is interested in getting in touch with a Canadian manufacturer who can supply beech wedges in dimensions as follows: 8 inches long, 3 inches wide, 2 inches thick tapering to nothing, chamfered both ways. Quotations to be per 1,000 c.i.f. Newcastle. Shipments to be made in bulk.

54. **MAPLE FLOORING.**—A Newcastle firm desire the agency of a Canadian manufacturer.

55. **BIRCH.**—An important Newcastle firm wish to establish agency connections with exporters of Quebec and Nova Scotia birch logs, planks, and squares.

56. **WRAPPING PAPER.**—A Newcastle importer is interested in receiving direct c.i.f. offers from Canadian manufacturers of kraft paper.

57. **WRAPPING PAPER.**—A Manchester merchant is interested in receiving offers direct from Canadian paper mills for outright purchase.

58. **WRAPPING PAPER.**—A North of England paper merchant invites direct c.i.f. offers from Canadian manufacturers.

59. **CARRIAGE BOLTS.**—A North of England merchant is periodically in the market for 1,000 to 2,000 gross bolts and nuts and invites offers c.i.f. Newcastle from Canadian manufacturers.

60. **ORES AND METALS.**—An agent in Duisburg-Ruhrort, in the Rhenish-Westphalian industrial area of Germany, would be interested in acting as agent for Canadian exporters of ores and metals.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Halifax

To PLYMOUTH, CHERBOURG AND LONDON.—Ausonia, Cunard Line, Jan. 25.

To CHERBOURG AND LONDON.—Ascania, Cunard Line, Jan. 25.

To HULL.—Valemore, Furness, Withy, Jan. 25.

To LIVERPOOL.—Newfoundland, Jan. 21; Mongolian Prince, Jan. 30—both Furness, Withy; Carmania, Cunard Line, Feb. 15.

To COBH (QUEENSTOWN).—Carmania, Cunard Line, Feb. 15.

To MANCHESTER.—Manchester Division, Jan. 24; Manchester Merchant, Jan. 28—both Furness, Withy.

To LONDON.—Valemore, Jan. 25; Incemore, Jan. 30—both Furness, Withy.

To ST. JOHN'S, Nfld.—Newfoundland, Furness, Withy, Jan. 21; Sable I., Jan. 29, Feb. 12; Skipper, Feb. 5, Feb. 19—both Farquhar SS.

To BERMUDA, ST. KITTS, ANTIGUA, MONTSERRAT, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Teviot, Jan. 29; Chaudiere, Feb. 12—both R.M.S.P. Co.

To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Forester, C.G.M.M., Feb. 5.

To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Carrier, Jan. 22; Canadian Runner, Feb. 5; Canadian Volunteer, Feb. 19—all C.G.M.M.
 To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, Jan. 27.
 To SANTIAGO, KINGSTON AND MONTEGO.—Andalusia, Pickford & Black, Feb. 10.
 To AUSTRALIAN PORTS.—Canadian Cruiser, C.G.M.M., Jan. 30.
 To NEW ZEALAND PORTS.—Canadian Challenger, C.G.M.M., Jan. 25.

From St. John

To LONDON.—Bosworth, Jan. 30; Brecon, Feb. 13—both Canadian Pacific; Canadian Raider, Feb. 3; Canadian Rancher, Feb. 17—both C.G.M.M.; Verentia, Jan. 27; Vallevia, Feb. 17—both Cunard Line.
 To CARDIFF AND SWANSEA.—Canadian Mariner, Jan. 27; Canadian Victor, Feb. 10—both C.G.M.M.
 To LIVERPOOL.—Montnairn, Jan. 22; Montrose, Jan. 29; Metagama, Feb. 5; Montcalm, Feb. 12—all Canadian Pacific.
 To AVONMOUTH.—Parthenia, Anchor-Donaldson, Feb. 5; Bawtry, Canadian Pacific, Feb. 5.
 To SOUTHAMPTON.—Marloch, Canadian Pacific, Feb. 17.
 To MANCHESTER.—Manchester Producer, Jan. 23; Manchester Corporation, Feb. 6—both Manchester Liners.
 To GLASGOW.—Morevia, Feb. 2; Gracia, Feb. 16—both Anchor-Donaldson; Brandon, Jan. 26; Bolingbroke, Feb. 9—both Canadian Pacific.
 To ANTWERP.—Canadian Trapper, Jan. 20; Canadian Raider, Feb. 3; Canadian Rancher, Feb. 17—all C.G.M.M.; Balfour, Feb. 3; Marloch, Feb. 17—both Canadian Pacific.
 To HAMBURG.—Laval County, Intercontinental Transports, Jan. 30; Balfour, Canadian Pacific, Feb. 3.
 To HAVRE.—Grey County, Intercontinental Transports, Jan. 19.
 To ROTTERDAM.—Grey County, Intercontinental Transports, Jan. 19.
 To COPENHAGEN AND BALTIC PORTS.—Ivar, Scandinavian-American Line, Jan. 20.
 To BERMUDA, BARBADOS, TRINIDAD AND DEMERARA.—Berwyn, Canadian Pacific, Feb. 6.
 To SOUTH AMERICAN PORTS.—Hesperides, Houston Line, Jan. 20.
 To AUSTRALIAN AND NEW ZEALAND PORTS.—A steamer, New Zealand SS. Ltd., Feb. 16.

From Vancouver

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Asia, Feb. 6; Empress of Canada, Feb. 20—both Canadian Pacific.
 To YOKOHAMA, KOBE AND HONG KONG.—Achilles, Jan. 28; Protesilaus, Feb. 18—both Blue Funnel.
 To YOKOHAMA, KOBE, MOJI, SHANGHAI AND NAGASAKI.—Mexico Maru, Osaka Shosen Kaisha, last half January.
 To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Niagara, Canadian-Australasian Royal Mail Line, Feb. 10.
 To AUSTRALIAN AND NEW ZEALAND PORTS.—West Cahokja, Jan. 23; West Islip, Feb. 15—both Pacific-Australasian Line.
 To WEST COAST UNITED KINGDOM PORTS.—Canadian Highlander, C.G.M.M., Jan. 25.
 To LONDON.—Loch Monar, second half January; Loch Goil, early February; Grootendyk, middle February—all North Pacific Coast Line; Canadian Importer, C.G.M.M., Feb. 10; Justin, United American Line, late January.
 To LIVERPOOL.—Loch Monar, second half January; Loch Goil, early February; Grootendyk, middle February—all North Pacific Coast Line.
 To MANCHESTER.—Pacific Shipper, Jan. 20; Northwestern Miller, Feb. 2; Pacific Trader, Feb. 9—all Furness Line.
 To GLASGOW.—Gaasterdyk, North Pacific Coast Line, early February.
 To BORDEAUX, HAVRE AND ANTWERP.—Oklahoma, Jan. 21; Nevada, Feb. 8—both Cie. Gle. Transatlantique (French Line).
 To ANTWERP.—Silarus, middle January; Loch Monar, second half January; Gaasterdyk, early February—all North Pacific Coast Line; Canadian Importer, C.G.M.M., Feb. 10; Justin, United American Line, late January.
 To HAMBURG.—Silarus, middle January; Loch Monar, second half January; Gaasterdyk, early February—all North Pacific Coast Line; Justin, United American Line, late January.
 To ROTTERDAM.—Silarus, middle January; Loch Monar, second half January; Gaasterdyk, early February; Loch Goil, early February; Grootendyk, middle February—all North Pacific Coast Line.
 To HAVRE.—Silarus, North Pacific Coast Line, middle January.
 To GENOA, LEGHORN, NAPLES AND TRIESTE.—Tagliamento, Navigazione Libera Triestina, Feb. 15.
 To WEST INDIES AND EAST COAST OF SOUTH AMERICA.—West Cactus, Pacific-Argentine-Brazil Line, early February.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

H. R. Poussette. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

James Cormack. Address for letters—P.O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300. Office—Laidlaw Building, Szechuen and Nanking Roads, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Raboisen 8, Hamburg 1. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czecho-Slovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watmill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230; office, Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P. O. Box 683; Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

Straits Settlements

A. B. Muddiman, P.O. Box 121, Singapore. (Territory covers Straits Settlements, British Borneo, Netherlands East Indies, and Siam.) *Cable Address, Canadian.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia). *Cable Address, Sleighing, London.*

J. Forsyth Smith, Century Bldgs., 31 North John street, Liverpool. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales). *Cable Address, Cantracom.*

Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands). *Cable Address, Canadian.*

Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, January 23, 1926

No. 1147

TABLE OF CONTENTS

	Page		Page
Direct Steamship Service between Canada and Cuba	97	Imports of Cattle and other Animal Food, Oats and Cement into the British West India Colonies	119
West of England Market for Radio Sets and Parts	98	Conditions in the United States	120
Market for Honey in the Netherlands	99	United States Gold and Silver Production	121
Dutch Paper Industry	101	United States Farm Crops	121
Dutch Consumption of Domestic Coal Increases	124	Canadian Wheat Exports Increase	121
Trade Commissioner A. B. Muddiman's forthcoming Visit to Canada	102	British Trade Commissioners in Canada	124
Trade between Canada and British West Africa	102	Tariff Changes and Customs Regulations: British Merchandise Marks Act	121
Trend of South African Trade during the first six months of 1925	106	South African Weights and Measures Act	123
External Trade of South Africa during 1924—VIII	107	South African Income Tax Act of 1925	123
Australian Commercial and Financial Conditions	112	United States Duty on Sanded Lumber Products	123
Economic Conditions in Jamaica	113	Importation of Sardines into New Zealand	123
Flour Trade of the British West Indies and British Guiana—II	114	Tenders Invited—New Zealand	124
		Foreign Exchange Quotations for the Week ending January 18, 1926	125
		Trade Inquiries for Canadian Products	125
		Proposed Sailings from Canadian Ports	126
		Commercial Intelligence Service	128

DIRECT STEAMSHIP SERVICE BETWEEN CANADA AND CUBA

Canadian exporters will undoubtedly be interested in knowing that the first regular direct steamship service between Canada and Cuba has been placed in operation. Hitherto Canadian exporters in most cases have been compelled to route their shipments via United States ports which procedure has caused them considerable inconvenience and unnecessary expense.

The vessels now being utilized in the new steamship service are five in number and were formerly owned by the Canadian Government Merchant Marine. Their dead weight carrying capacity is about 3,500 tons in the case of each vessel, this including their bunkering. The ships are: *Emperor of Havana*, *Emperor of St. John*, *Emperor of Fredericton*, *Emperor of Montreal*, *Emperor of Midland*.

At present the company is operating on a schedule of sailings every ten days, but this may be changed to meet the requirements of southbound cargoes. The route is from St. John, N.B., to Havana direct, but calls will be made at Santiago de Cuba if there is tonnage to warrant this additional trip.

The freight rates being quoted in respect of all classes of cargo are the same as those prevailing from New York. The Canadian agents from whom details can be obtained are The Robert Reford Company Ltd., of St. John, N.B., and Montreal. As regards Havana, excellent docking and unloading facilities are available, the agents at that end being the American and Cuban Terminal Company, Inc., Atares Wharf, Havana.

It is to be anticipated that Canadian exporters now trading with Cuba, and also that other exporters who are interested in this market will avail themselves of this new organization which undoubtedly will fill a long felt want in the direction of solving the transportation problem which plays such a prominent part in the trade with the Island Republic.

WEST OF ENGLAND MARKET FOR RADIO SETS AND PARTS

TRADE COMMISSIONER DOUGLAS S. COLE

Bristol, December 22, 1925.—Recent inquiries from Canada as to market possibilities in the West of England for Canadian wireless sets and parts indicate that manufacturers in Canada are recognizing the possibilities in England for the sale of their goods. Since January 1, 1925 the prohibition of the use of apparatus other than that of United Kingdom manufacture for broadcast reception has been removed, and it is unnecessary for a Canadian company to even become a member of the British Broadcasting Company before exporting wireless apparatus for sale in this country.

N. A. R. M. EMBARGO

Although the Government prohibition of foreign (which term includes colonial) wireless apparatus has been removed, yet the regulations of the National Association of Radio Manufacturers and Traders are so framed as to constitute an embargo on foreign or colonial radio sets or parts. The following quotations from their bye-laws explain the situation:—

The "Objects, Regulations and By-laws" of the N.A.R.M.A.T. (subscribed to by members of all three sections—Manufacturers, Wholesalers and Retailers) set out, *inter alia*, the following conditions which cannot be altered except by a 90 per cent majority of *each* section in an extraordinary general meeting.

Object 2 (c).—A member shall not deal in any class of radio goods of foreign manufacture if a like type or class of goods is included in the official schedule, issued from time to time by the association, of radio apparatus.

Any radio products, wherever manufactured, not coming under the provisions of Object 2 are considered to be of foreign manufacture and therefore the restrictions of Object 2 would apply."

It is understood, however, that in practice this embargo is not working out satisfactorily, and despite the ban there appears to be a considerable number of "foreign" wireless apparatus and parts on offer in the West of England.

OPPORTUNITY FOR CANADIAN MANUFACTURERS

There are several wholesale distributors located in Bristol, and the best way to try out the market is to send a sample of the sets or parts being offered together with trade terms c.i.f. Bristol in sterling. Birmingham is another excellent market, but South Wales does not appear to have taken up this activity to the same extent as other parts of the country. In any case there are no large wholesale distributors in Cardiff or other South Wales centres. Two, three and four valve sets are very popular, and it is found that once an individual has become interested, he rapidly departs from the one valve set to more powerful units.

What strikes the writer most forcibly is the great spread between the individual parts necessary to form a set as compared with the finished set as offered by manufacturers to the public. Particularly is this noticeable in pedestal cabinet sets which have self-contained loud speakers. There should prove an extensive sale for cheap and reliable instruments of four valves which can be offered to the public at approximately \$100 to \$125 complete.

The Bristol office invites inquiries from Canadian manufactures, and individual reports will be furnished in every case on the market possibilities. Samples forwarded will be disposed of to the best advantage and the remittance forwarded to the manufacturer.

MARKET FOR HONEY IN THE NETHERLANDS

TRADE COMMISSIONER FREDERICK H. PALMER

Rotterdam, December 17, 1925.—Holland is the best foreign customer of the Canadian honey producer according to the Dominion Bureau of Statistics' report of Canada's trade for the six months ending September 1925.

Publications of the Dominion Bureau further show that the Dutch market is rapidly increasing in importance, since during the fiscal years ending March 31, 1923, 1924 and 1925 the Netherlands is shown as the foreign destination of 51,804, 141,502 and 261,890 pounds of honey, the annual values being \$3,375, \$9,874 and \$26,419 respectively.

For the six months ending September 1925, the rate of export of the previous twelve months has been more than maintained and 137,140 pounds of honey have been exported from Canada to the Netherlands during this period.

Canada was not included in the Dutch foreign trade statistics as a source of honey prior to this year, so it is impossible to estimate the extent, from a perusal of the Dutch figures to which the Dutch market for Canadian honey has been developed. But the twelve tons of honey per month which Canadian producers are sending to the Netherlands is indeed a very small percentage of Holland's total importation of this commodity. During 1924 Holland imported 3,650 tons of honey and artificial honey as compared with 4,097 tons in 1923. For the first ten months of 1925 imports have amounted to 2,894 tons or a monthly average of over 24 times the monthly importation from Canada.

Of this year's imports 1,142 tons came from Cuba, 920 tons from the United States, 313 tons from France, 225 tons from Mexico, while 96 tons are credited to Canada. It may be noted that the total attributed to the United States would include honey from Peru and Chile perhaps, and possibly San Domingo, as well as honey actually produced within the United States.

BAKERS' DEMAND LARGEST FACTOR

In considering the question of the variety or honey most generally demanded, in connection with the problem of further market development, it is vitally essential to keep constantly in mind that at least 95 per cent of the imports are destined for the multitude of Dutch cake bakers. Cake baking in Holland is not the highly developed domestic science that it is in North America and the total production of honey cake and ginger cake in Dutch bakeries to supply the demand for sweet food stuffs is enormous. There are two main kinds of honey cake, the visible difference between them being that of colour. Light coloured cake is principally demanded and for this reason white to light, yellow honey enjoys the larger market.

The Cuba, Chile, San Domingo, Mexico and Peru products are most generally known. If dark honey is required the demand is practically all for the honey from Brittany which is noted in the trade for its strong smell and penetrating taste. Canadian buckwheat honey is compared with dark Brittany, but the large trade in Brittany honey generally favours this product since it is always packed in large barrels.

The trade in Californian and Canadian honey is different from the trade in the other lines and these honeys have not been important factors in the market since prices have generally been high compared with the quotations offered for the light amber honey of Cuba with which it would chiefly compete.

PRICES

The dark honey of Brittany has recently been quoted at 49 guilders per 100 kilos f.o.b. Havre and Bordeaux honey at 44 guilders f.o.b. Bordeaux. As

mentioned above Canadian buckwheat honey compares with the dark honey of Brittany, but before Canadian buckwheat honey can be sold it is stated that there must be a difference in price in favour of Brittany of 7 guilders per 100 kilos.

Prices of Canadian and Cuban honey are usually in dollar cents per gallon. The Dutch importer usually estimates a gallon to contain five kilos instead of the exact equivalent 5.29 kilos. The difference or overweight is assumed to be sufficient to compensate for leakage, etc. Putting these prices into guilders per 100 kilos, recent Canadian offers were at 44 guilders compared with Cuban quotations of Fl. 46.25 per 100 kilos. More recent offers from Cuba for December-January shipments of the new crop of honey were at Fl. 38.50 per 100 kilos and orders are being placed on this basis.

PACKING

The popular Brittany and Bordeaux honeys are packed in barrels containing about 300 kilos. The honey from Cuba, Mexico and San Domingo is generally packed in barrels of 275 kilos. Honey from Peru is usually packed in barrels of 150 kilos while honey from Chile arrives in barrels weighing 70 kilos.

Canadian honey continues to arrive in its usual form, that is two sixty-pound tins in one case.

MARKET FOR BUCKWHEAT HONEY

Buckwheat honey appears to be used in Holland only by bakers who wish to make a dark cake and as mentioned above Canadian buckwheat honey would have to compete with the dark Brittany honey for which a preference among bakers at present exists.

HONEY FOR TABLE USE, CHEMISTS

The use of honey on the table is not general in the Netherlands and the custom is by no means as universal as it is in the United Kingdom or Germany. Such demand as does exist for a table honey is for white clover, and Dutch honey generally supplies this small demand. This honey is at present retailing at Fl. 1.—to Fl. 1.20 per pound glass jar.

A small quantity of honey is used by chemists and pharmacists, a demand which is chiefly for white clover and this trade also is generally supplied by Dutch producers.

MARKET FOR HONEY IN COMB

Honey in comb is at present being retailed at about Fl. 1.15 per pound with a very limited market. For a widespread use present prices of both comb and table honey are much too high and consequently the sale is very limited. A leading importer asserts that lower prices are the first requirement for a larger market, the next step being an extensive advertising campaign. It should be borne in mind however, that since this trade is generally looked after by small domestic bee farms anything of a propaganda nature which would be undertaken would redound to the profit of the Dutch apiarist. It is interesting to note that the Dutch Government renders assistance to Dutch farmers by enabling them to secure denatured sugar free of excise duties if such sugar is intended for use as bee food during the winter.

DUTY

The Dutch tariff levies a duty on pure honey packed in containers to weigh less than 1,200 grammes, of 8 per cent *ad valorem* and 27 guilders per 100 kilos. If honey should be imported packed in containers to exceed 1,200 grammes per package a duty of 4 guilders per 100 kilos would be levied.

Generally speaking Canadian honey has a reputation for its excellent quality, but the bakers trade being the controlling factor in the Dutch market importers would be able to render more assistance to the market developing endeavours of Canadian honey producers if it could be made possible to pack Canadian honey in barrels. This would make the Canadian product more attractive to the larger consumers and by packing in larger quantities it should be possible to reduce the landed price sufficiently to enable stronger competition being offered to the products of Cuba and Brittany.

DUTCH PAPER INDUSTRY

TRADE COMMISSIONER FREDERICK H. PALMER

Rotterdam, December 14, 1925.—The total quantity of paper manufactured in the last four years has continually increased, but in 1923, however, this improvement was slightly retarded. Besides wood-containing printing and writing paper, all kinds of paper, of which separate information could be secured, shared in this industrial development.

Notwithstanding the increase in the quantities produced, as a result of the great decline of prices in the intervening period, the value of the total production has changed comparatively little in the last four year, and the value of 1924 exceeds for the first time the value of the preceding year.

Despite the continuing increases in paper production recorded the only raw material showing an increase in consumption is wood; the consumption of the other fibre materials combined underwent little change. This indicates that the need of raw materials of the paper industry could be met in increasing degree with the further local production of wood-pulp and wood-cellulose. However, mention should be made of the increased consumption of old paper and the almost stationary, if not actually decreasing, use of rags.

The personnel employed and the power used also show higher figures from year to year, but the increases have not paralleled the increases in production. The increases between 1921 and 1924 for personnel and power respectively amount to 10 and 11 per cent of the figures of 1921. This is in keeping with the fact, from the report concerning the trade-conditions and the condition of the labour market, that in 1921 and later, a number of paper factories worked far below their capacities.

With regard to trade conditions and the condition of the labour market in the paper industry in 1923 and 1924 the monthly bulletin of the Central Bureau of Statistics states the following:—

1923.—Paper manufacture was borne down principally by the sharp competition of paper-exporting countries with low rates of exchange. Before this, however, some factories were shortening their production or shutting down, yet it was principally in the second half of the year that reports came in of shortening of the working week, dismissal or part time employment of surplus personnel and temporary shut-downs. At the end of the year most factories were operating at less than full capacity, as compared with the beginning of the year, when generally there was sufficient work or moderate business offering. In some factories the trade was kept going by accepting orders at quotations below the cost price.

1924.—The condition in the paper factories remained depressed for a long time, chiefly as a result of competition of countries with low exchanges. There were periods when, temporarily, sales changed for the better, but this often happened only at the cost of the prices, which in general remained poor. One factory was at a standstill for some time. The last months of the year brought some more business and were on the whole more favourable than the latter months of 1923. In general, then, in 1924 there was sufficient activity (including more export orders), and in one single factory (of fine kinds of paper) even great activity, against which, however, in other factories operators were able to keep the trade going only with great trouble.

TRADE COMMISSIONER A. B. MUDDIMAN'S FORTHCOMING VISIT TO CANADA

Mr. A. B. Muddiman, Canadian Trade Commissioner in Singapore, will arrive in Vancouver on February 24 on his way to Rotterdam, to which post he is being transferred. He will make a business tour of the Dominion in the interests of Canadian export trade to the Straits Settlements, Siam, the Dutch East Indies, and Holland. Canadian firms who are interested in any of these countries and who desire to be brought in touch with Mr. Muddiman or to interview him are requested to communicate at an early date with the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa, in order that the necessary arrangements may be made.

TRADE BETWEEN CANADA AND BRITISH WEST AFRICA

[The following report is the joint compilation of Trade Commissioner Harrison Watson, London, and Assistant Trade Commissioner Harry A. Scott, Liverpool, who have made a study of the situation through the head offices, which are in the United Kingdom, of the large West African importing houses.]

British West Africa, which consists of the colonies of Nigeria, Gold Coast, Sierra Leone, and Gambia, with a total population of 22,493,557, presents an opportunity for selling certain Canadian commodities which is not being taken advantage of. As is the case with many of the more remote colonial markets, the bulk of the trade of these countries (both import and export) is controlled by a comparatively few powerful British corporations whose head offices are located in London or Liverpool, and most of whom have branches in New York. A list of these, together with their United States branches, where they exist, is on file at the Department of Trade and Commerce, Ottawa, and is available for interested Canadian firms.

METHODS OF BUSINESS

It should be emphasized, to commence with, that the description "West Africa" includes a number of countries each of which bear some resemblance to each other as regards climate and natural resources. Upon the other hand, conditions and circumstances vary to such a degree that the trade requirements of each differ materially, and in some cases radically.

Important officials of the large importing corporations have been interviewed both in London and Liverpool. Upon comparing notes, it was found that considerable difference of opinion is expressed as to the best selling methods which Canadian firms can pursue in order to secure orders from West Africa.

Most of the buyers, however, appear favourably disposed towards increasing their business relations with Canada, although the general view is that the best opportunities are confined to particular commodities, mainly articles of food. One point that stands out clearly is that Canada is not doing as much business as might be obtained.

The keynote of West African trade is despatch, and importers are unanimously in agreement that most Canadian exporters have so far exhibited deficiency in this quality, both as regards marketing and transportation.

The trade of West Africa is conducted almost wholly on the indent system. This means that the buying operations of the trading companies are almost entirely in response to definite inquiries and orders which reach them from their branches or customers actual resident in the countries which make up British West Africa. The circumstances are similar in the countries which do not form part of the British Empire.

Prompt delivery is essential, and this requisite can only be met (save in very special instances) by Canadian exporters adopting means whereby samples,

prices, and other information will be immediately available on the spot. Alternatively, the buying of at least certain commodities might be effected through the United States branches of some of these corporations, provided also that Canadian firms wait upon these offices with full information.

All West African business is fiercely competed for, not only by United Kingdom firms, but by the manufacturers and shippers of the European Continent and the United States. An important point to bear in mind is that the demand of the native populations of practically all the countries is mainly for articles of a cheap nature, which frequently means second grades, and even articles which under most circumstances might be discarded.

As none of the West African countries has up to the present adopted the principle of Imperial preference, Canadian opportunities are bereft of an advantage which is open to them in most parts of the British Empire, more especially as regards manufactured goods.

A large proportion of the leading Continental and American firms keep permanent representatives in the British Isles, who are therefore immediately available to the corporations when they wish to place orders. Moreover, the buying corporations themselves maintain buying agents in the various countries on the European Continent and elsewhere, and the local manufacturers and shippers interested make a practice of keeping in constant touch with these representatives.

Under these circumstances it is obvious that offers made through the medium of correspondence alone are bound to receive little or no attention. Unfortunately, and as is generally known, Canadian manufacturers and shippers, except in the case of provisions and a few other lines, are very insignificantly represented in the United Kingdom in comparison with their rivals, both Continental and American. This, in itself, is a severe handicap, and several of the buyers have volunteered the statement that occasional attempts which have been made to encourage purchasing from Canada have been received with apathy in several quarters.

It is consequently clear that an important reason why Canadian export trade to West Africa has not developed is the failure of Canadian firms to adopt the methods of their competitors and, by direct representation, keep in constant touch with the United Kingdom firms who purchase and supply most of what is imported into the West Coast. It should be added that Canadian exporters must supply up to a dozen catalogues, in order that these can be sent out to the branches in the various countries who actually give the orders.

As regards the most desirable method of canvassing, it was found that some considerable difference of opinion prevails. Certain of the corporations suggest that Canadian exporters should directly approach the buying offices in the United Kingdom. Others hold the view that the branches which they have opened in the United States afford the most convenient medium for the receipt of offers from Canada. All are, however, unanimous that Canada cannot secure business by resorting to correspondence alone. Any Canadian firms wishing to follow up this feature should find it advantageous to consult the Canadian Trade Commissioner in New York, who is sure to be in close touch with the interests concerned.

OPENINGS FOR CANADIAN PRODUCTS

Upon the whole, Canadian opportunities seem to be restricted as previously stated to certain particular lines, mostly articles of food; and as regards manufactured products, to articles for the production of which Canada possesses distinct natural advantages.

Commodities in which regular transactions are actually taking place include flour, canned salmon, and automobiles. In the case of canned salmon, it was found that one important corporation is buying directly from British Columbia.

Bacalao and other dried fish and preserved milk which are imported by all the Colonies seem also to offer prospects, while a leading West Coast house has expressed an interest in possibilities for Canadian leaf tobacco.

One director, who has already acquired a knowledge of Canadian output, suggested that while foodstuffs seem to offer the greatest outlet, other products the prospects for which appear to merit investigation include: refined sugar, wire nails, cement, biscuits and cereal foods.

The manager of another important enterprise suggests that the increased civilization of the native population has led to a higher standard of living, and a tendency to replace antiquated customs by improved methods. As an illustration of this movement, he indicated agriculture, and his opinion is that the adoption of modern systems of cultivation ought to result in the utilization of large quantities of agricultural implements and machinery of the type which is now common in Canada and other countries. For this reason it is suggested that Canadian manufacturers should find it advantageous to organize demonstrations in West African countries upon a more extended scale than has previously been attempted. The subsequent conclusion of arrangements for working in conjunction with his own or one of the other established British trading companies ought to present no difficulty.

Indeed, although all authorities consulted emphasize that efforts to sell should be concentrated on the head offices in the United Kingdom, several pointed out that this position ought not to deter Canadian shippers from sending representatives to study conditions on the spot, and also to call upon the importing houses. Upon the contrary such action must be highly advantageous because after all it is the local importers who issue instructions as to what is to be bought.

It seems advantageous to refer to a few prominent features which are evident from a study of the latest official trade and other statistics. In the first place, the following figures of the population of the countries comprising British West Africa show that Nigeria stands out by itself: Nigeria, 18,631,442; Gold Coast, 2,110,474; Sierra Leone, 1,541,311; Gambia, 210,530. Upon the other hand, conditions, circumstances and the stage of development reached in particular countries, and not population, are the chief factors in the volume of trade, both import and export, done by the different colonies.

As an example, the small Gold Coast colony imported in 1923 goods to the value of £8,449,000, with exports amounting to £8,959,213, as against exports of £11,705,000 which represent the trade of the nine times larger population of Nigeria. During the same period the imports of Sierra Leone amounted to £1,949,981 and exports to £1,347,000; while Gambia's imports were £813,000 and exports £899,000.

Import requirements, as well as the nature of export trade vary considerably. It is noticeable, however, and this is a point that should be impressed upon Canadian manufacturers, that the outstanding commodity imported into all the countries is cotton piece goods, and that other important items are machinery, iron and steel, and hardware.

In addition to the manufactured goods used by the native population being largely of low grades, the demand in textiles and certain other lines is chiefly for particular kinds and qualities of goods particularly suitable to these tropical markets. Altered conditions, and more especially increased cost of production, are gradually diverting to Continental countries a certain amount of business which was previously supplied by United Kingdom manufacturers.

PRESENT POSITION OF THE MARKET

It happens that the prospects of British trade in West Africa, as well as in all other countries, have recently been the subject of investigation by the

Government-appointed Committee on Industry and Trade, which is more popularly known as the "Balfour Committee". An interim report entitled "A Survey of Overseas Markets" concentrates in a unique manner a variety of information and trade statistics which are of value in an investigation such as the present.

An illustration is a list which the committee has compiled which shows Great Britain's chief competitors in Nigeria in a number of selected items. The reproduction of this is justified by its interest to Canadian manufacturers, and it should be explained that where the country is italicized, it indicates that the majority of Nigeria's imports come from that source.

Commodity	Competition from:
Flour.. . . .	<i>United States.</i>
Spirits.. . . .	France and Holland.
Cigars.. . . .	<i>Holland and Germany.</i>
Unmanufactured tobacco.. . . .	<i>United States.</i>
Cheese.. . . .	<i>Holland.</i>
Sugar.. . . .	<i>United States.</i>
Lamp oils, etc..	<i>United States.</i>
Beads.. . . .	<i>Germany.</i>
Coopers' stores.. . . .	<i>United States.</i>
Clocks and watches.. . . .	Germany and <i>United States.</i>
Cutlery.. . . .	<i>Germany.</i>
Enamelware.. . . .	<i>Germany.</i>
Hardware.. . . .	<i>Germany.</i>
Implements and tools.. . . .	<i>Germany.</i>
Earthenware.. . . .	<i>Holland, Germany.</i>
Glassware.. . . .	<i>Germany.</i>
Furniture.. . . .	<i>Germany.</i>
Sewing machines.. . . .	<i>Germany.</i>
Haberdashery.. . . .	<i>Germany.</i>
Jewellery and plate.. . . .	<i>Germany.</i>
Motor cars.. . . .	<i>United States.</i>
Matches.. . . .	<i>Germany and Sweden.</i>
Motor spirit.. . . .	<i>United States.</i>
Smoking pipes.. . . .	<i>Germany.</i>
Toys and games.. . . .	<i>Germany.</i>

However, although the proportion has recently begun to show a falling-off, and increasing competitors are Germany, and in some Colonies, the United States, the bulk of the trade (both import and export), speaking generally, is still conducted by the United Kingdom. The position is summarized in the following table showing the percentage of total trade done by the United Kingdom in 1923:—

Country.	United Kingdom Percentage	
	Imports	Exports
Nigeria.. . . .	77.2%	67.1%
Gold Coast.. . . .	67.6	22.6
Sierra Leone.. . . .	76.1	78.3
Gambia.. . . .	55.4	49.1

WEST AFRICAN EXPORT TRADE

Opportunity was also taken to enquire into the feasibility of increasing the direct shipment of West African products into Canadian ports. The chief exports of all the West African countries are raw materials such as palm kernels and palm oil, which are chiefly used for the production of oilcake, soap, and margarine. The other principal commodity is cocoa.

It is shown by our trade returns that practically all these supplies reach Canada via the United States. Conversations with different representatives confirm the previous impression that the reason for the bulk of the business being at present transacted indirectly is the existing concentration of the interests of the corporations in the United States. It is consequently convenient to deal with Canadian business through the American branch or American customers.

One important enterprise, however, expressed a desire to encourage direct shipments from their West African connections to Canada, and went as far as to say that if circumstances warranted it, their particular organization would be prepared to investigate the feasibility of establishing a branch office in Canada itself for the purpose of handling both import and export trade between West Africa and the Dominion.

As in the case of export trade from the Dominion, it is clear, however, that the increase in the volume of direct shipments of West African products into Canada can only be attained by the encouragement and insistence of Canadian firms themselves.

As long as importers are willing to buy from the United States, and are apathetic as regards direct shipments, the bulk of the exporting corporations are hardly likely to make any move, and the steamship companies themselves are powerless in the matter.

TREND OF SOUTH AFRICAN TRADE IN THE FIRST SIX MONTHS OF 1925

TRADE COMMISSIONER G. R. STEVENS

Cape Town, December 11, 1925.—The preliminary report upon the commerce of South Africa for the first half year of 1925 shows an increase in imports and a decline in exports over the same period of 1924. The figures are as follows:—

	Imports	Exports
1925..	£32,663,979	£37,729,431
1924..	31,591,325	38,684,917

Exports still show a considerable preponderance, but £3,000,000 of the favourable trade balance is represented by specie exports. Nevertheless the reduction in exports is rather unreal, since tonnage of exports increased by over 182,000 tons during the period of 1925 under review. The decrease is confined to the gold industry, whose output was approximately £4,000,000 less for the first half of 1925.

With the exception of bullion, all exports show fair progress. The diamond market has revived, and exports of stones are about 12 per cent greater during 1925. Wool is down by nearly a million sterling, but the price realized per pound is about the same as in 1924. Deciduous fruits and maize have increased very considerably, and the wattle bark industry showed well for the period.

On the import side, the gunny trade with India, which is always considerable, is three times greater than in 1924, reflecting the activity of the maize, sugar and coal trades. The other import of industrial significance, motor cars, has grown tremendously, over 9,000 cars having been imported in the first six months, or more than the estimated requirements of this market for the entire year of 1924. Imports of British motor cars have doubled, but apparently not to the detriment of Canadian and American suppliers.

The allocation of imports by countries of origin shows Canada and the United States to be supplying about the same proportion of the total as last year. Great Britain has slipped slightly, her share now being almost precisely half of the entire imports. Canada and the United States possess the most favourable trade balances. In the case of Canada, South African imports are practically non-existent for the first six months of 1925, against a Canadian trade in this market of over a million sterling.

EXTERNAL TRADE OF SOUTH AFRICA DURING 1924

TRADE COMMISSIONER G. R. STEVENS

VIII**Imports of Machinery and Tools—Continued**

[Imports and exports of South Africa were discussed in general terms in the first instalment of this report, which was published in No. 1130; Foodstuffs Imports in Nos. 1131 and 1132; Textiles and Clothing in Nos. 1133 and 1134; and the first and second parts of Machinery and Tools in Nos. 1143, 1144. Further instalments of this report, which deals with the import trade of South Africa in the light of the recent revision of the tariff, will be published in later issues.]

MACHINERY—MINING

(The statistics of Mining Machinery are classified under various heads, and it would be impossible to tabulate them in intelligible form)

The requirements of the gold, diamond and coal mines constitute one of the most valuable South African trades; a very large proportion of the supplies for these industries is imported. During recent years the interest in numerous base metals has contributed some small percentage to these imports; but approximately 80 per cent of all requirements are for the gold mines, 10 per cent for the coal mines, and the remainder divided between diamond mines and base metals.

Omitting electrical machinery, which has been discussed heretofore (see page 677 of Commercial Intelligence Journal, No. 1143) the imports of mining machinery, spares and kindred equipment amounts to well over £1,000,000 annually. (Perhaps 10 per cent of the total imports may be allocated to the Rhodesian industry). There are nearly 800 overseas manufacturers whose chief South African business is the supply of mining requirements, and there are about 500 South African engineering firms which act as contractors, agents and merchants in distributing such imports in the mining areas. The mines purchase by groups, each group having principal and subsidiary buyers. These mine groups are primarily financial organizations, but they undertake the marketing and purchasing of their components as well. There are about twenty such principal groups of mines, each of which purchases very large quantities of material of all types in the course of a year.

The chief method of purchase is by indent for heavy equipment, the business being placed through local representatives. Some mine groups still have London buying offices, but for the most part they place their business through South African Supply Houses, which act as manufacturers' representatives. As subsidiary to the indent business, the Witwatersrand Commercial Exchange exists for the purpose of easy and economic tendering upon the principal mining requirements which can be filled from stocks. On this Exchange the mine groups have seats and they post their requirements each morning. The principal merchant houses likewise have seats on this Exchange, and they enter their bids upon the day's orders. Acceptances are immediately posted in the hall of the Exchange. In this simple and easy way, a very large proportion of the mine requirements are filled.

The Witwatersrand Commercial Exchange has resulted in a development of the representation system. Only merchants have seats upon this Exchange, and therefore they have an advantage over agents who can only work upon a commission basis. It does not follow, however, that the merchant who bids upon business necessarily has the stocks on hand. More often than not, the merchant functions as a commission agent, but in position to finance his own imports. Alternatively, he may, of course, be a contractor as well. The necessary point

to note, is that the only valuable connection for the sale of mining equipment in South Africa is an established firm with sufficient capital to finance individual orders. It would be impossible in a restricted report such as this to detail the requirements of the Rand. It is sufficient to note that the gold mines of South Africa are notable as among the most efficient in the world, since they recover minute proportions of gold from extremely large bodies of ore. All types of equipment therefore must be of a most efficient nature, and practically every mining accessory from every country has been tested.

The principal equipment, such as drilling, hoisting, pumping, crushing and compressor equipment represents the best world's practise. Although Great Britain has always been preponderant in the supply of such equipment, rapid gains have been made by the United States during the past few years. There have always been strong American engineering influences on the Rand. In some specialized types of machinery, the market is preponderantly American, although there are probably ten English engineering houses actively selling in South Africa for every American house represented. A few of the very large American organizations enjoy much larger business than any similar British houses. As a matter of fact, in 1924, out of imports of unclassified mining machinery amounting to £852,275, Great Britain supplied £409,460 and the United States £408,008. This is, however, slightly above the American average.

In spite of the preponderant position of Great Britain and the United States, a considerable number of foreign firms are very strong in particular lines. Swiss pumps, French light railway equipment, German tubing and Swedish drills, drilling equipment and telephone plants enjoy very considerable business in this market.

Canada does not cater to this mines business to any particular extent owing, perhaps, to the fact that specialized types of equipment are usually developed in the older industrialized countries. Canadian manufacturers of mining accessories of any sort, however, should enquire regarding the possibilities of this field. Occasionally this office has come across some line which Canadian mines have been purchasing from Canadian manufacturers, and it has been found that the goods in question fit South African requirements equally well. In such a vast and specialized trade, however, it is quite impossible to suggest any particular equipment of a Canadian nature which would be favourably received.

METALS—ALUMINIUM

(This item has not been previously differentiated in the Customs returns)

The import of bar, ingot, sheet, foil and other unshaped aluminium is very limited, amounting to not over £10,000 per annum. Three quarters of the entire import is aluminium foil. Germany and Switzerland seem to be the only suppliers of importance.

The imports of manufactured aluminium, barring kitchenware (which will be discussed later) are unimportant. Germany supplies about three-quarters of aluminium manufactures and Great Britain is the source of the remainder.

IRON AND STEEL

	1924		1923	
	Centals	£	Centals	£
Pig, Ingot, Block, Billet, Slab, Blooms—				
Great Britain.. . . .	49,553	12,245	33,953	9,175
All suppliers.. . . .	58,296	14,774	48,793	13,730
Angles, Channel and Tee—				
Great Britain.. . . .	123,667	55,280	97,845	44,098
All suppliers.. . . .	128,496	57,383	99,870	45,329
Bar, Bolt and Rod—				
Great Britain.. . . .	299,182	261,896	311,324	299,264
Belgium.. . . .	60,553	222,262	30,378	12,690
Germany.. . . .	16,989	8,720	9,967	13,325
Sweden.. . . .	14,987	22,371	21,420	34,896
Canada.. . . .	7,262	5,208	2,510	1,717
All suppliers.. . . .	423,168	333,655	388,068	368,171

The absence of a primary iron and steel industry results in a very considerable import of rough shapes; considerable increases in the South African demand may be anticipated in the near future. This does not suggest, however, that overseas firms will greatly increase their business, as it is anticipated that South Africa will produce her first pig iron from her own ores during the ensuing year. There are at present two iron and steel works in the Union manufacturing billets out of scrap. Arrangements have been made for expansion and this very considerable advance in South African industrial life will be realized in the near future.

The statistics of imports of rough shapes of iron and steel are remarkable in one respect, and that is in regard to British control of the market. One would gain the impression from discussing the matter with principal importers, that the British metal industries were on their last legs; yet from the statistics it would appear that Great Britain had little or no competition. As a matter of fact she has but little competition in many lines, particularly in structural iron and steel, which forms a fair proportion of all imports. Moreover, the successes of her competitors which are exploited from time to time in the press, are usually ephemeral; even the inflated exchanges of the Continent have not been sufficient to hold any volume of trade when once won. During the year under review, Great Britain's principal competitor, Sweden, failed to hold her ground, whereas Belgium, to whom a considerable volume of trade in bars has accrued, will probably find this increase gone during 1925, owing to the long dislocation of the strike.

Canadian business in rough shapes is restricted to one item, wire rods. One of the principal Canadian companies continues to sell wire rods against all competition, and they are well and favourably known in South Africa; moreover, since the period under review, the firm in question has made striking increases in volumes shipped to this market.

DRILL STEEL

	1924		1923	
	Centals	£	Centals	£
Great Britain.. . . .	29,034	56,503	not previously differentiated	
Sweden.. . . .	39,765	62,350		
Germany.. . . .	10,782	66,436		

In the supply of high-grade and high-speed drill steels, both solid and hollow, Great Britain's former preponderance has been challenged, and it is doubtful if she will ever do more than divide the trade with Sweden in the future. The Swedish manufacturers have given very great attention to the South African market. They have sent out chemists, have supplied large quantities of sample steels, and have consistently kept their prices below those of British offerings. Competition is still tremendously keen, but the Swedish steels would appear to be established beyond question. Very excellent quality and low price make the introduction of other drill steel a most difficult matter, and Canadian manufacturers are not advised to attempt the market.

PIPES AND PIPING

	1924		1923	
	Centals	£	Centals	£
Cast Iron—				
Great Britain.. . . .	64,262	46,363	120,716	65,912
Germany.. . . .	35,284	24,375	8,744	6,964
France.. . . .	35,398	16,538	7,012	2,180
All suppliers.. . . .	143,167	94,622	138,436	76,688
Wrought Iron and Steel—				
Great Britain.. . . .	291,884	347,850	244,776	290,561
Germany.. . . .	101,166	86,798	44,474	42,525
Czecho Slovakia.. . . .	32,077	28,989	23,564	22,413
All suppliers.. . . .	435,544	472,707	339,537	381,363

The mines augment very largely the ordinary demand for iron and steel tubing of all types. In so far as the mines' buying is concerned, however, the trend is toward one variety, solid drawn steel tubing. The opinion is unanimous in Johannesburg that the day of either butt-welded, lap-welded, or cast-iron piping is over. The purchasing of the last few seasons confirms this opinion. The importance of this trend is evident when it is noted that the mines absorb well over half of the total tubing requirements of South Africa.

There would appear to be comparatively few firms in the world in position to cater to this demand for solid drawn steel tubing. It is business in which the Continent, particularly Germany, is very strong; but the manufacture is developing rapidly in Great Britain. It seems probable that for the present there will be a strong move towards German buying on mines account, and that the trade in time will return to Great Britain as they perfect their processes of manufacture.

British firms have by all odds the best organizations for the marketing of tubing in South Africa. A number of British manufacturers have their own branches in the various distribution centres and carry heavy stocks there. They are thus in a position to realize all the advantages of fluctuating discounts, to arrange individual terms, and to fill immediate requirements. Moreover, one of the few enhanced preferences which was granted Great Britain in the last tariff was that on tubing. Great Britain was given a specific preference of approximately 7 per cent in place of a former ad valorem preference of 3 per cent, and this advantage is of very considerable value on such a cut line as pipes and piping.

The two principal Canadian manufacturers of tubing have retained some vestiges of their former business in black and galvanized lines, and with the advantages of the British preference, they are beginning to build up their trade again during the present year. The Canadian business is mostly in the small sizes on which Canadian discounts would appear to be more competitive. There are always a certain number of importers who prefer to indent rather than purchase from the same stocks as their competitors, and such importers are placing increasing business with Canadian manufacturers.

PIPE FITTINGS

	1924		1923	
	Centals	£	Centals	£
Great Britain.. . . .	52,671	105,564	40,565	96,267
All suppliers.. . . .	65,565	137,691	50,708	130,206

There is a large demand for pipe fittings in South Africa, and in this item Canada should be doing better than at present. Formerly, Canadian manufacturers had excellent business, particularly in malleable iron fittings, but technical difficulties of one nature or other compelled them to relinquish the field. There was nothing in such difficulties of an insurmountable nature, and with the tubing preference applicable to fittings also, it should be possible to regain a share of this trade. The requirements are roughly one-quarter cast-iron and three-quarters wrought iron fittings.

SHEETS—GALVANIZED AND TINNED

	1924		1923	
	Centals	£	Centals	£
Great Britain.. . . .	1,032,803	924,722	954,556	888,207
All suppliers.. . . .	1,037,036	946,370	1,025,255	950,725

As statistics show, Great Britain has practically no competition in this item, due to the excellence of her products and her well-organized selling. Galvanized sheets are a staple requirement in every part of South Africa, and constitute an increasingly important trade. Tinned sheets are a growing import owing to the increasing industrial development. The 1924 imports amounted to £122,295, and increases can be anticipated.

BOLTS, NUTS AND RIVETS

	1924	1923
	£	£
Great Britain.. . . .	91,209	104,833
United States.. . . .	18,489	20,165
Holland.. . . .	14,065	2,668
Belgium.. . . .	8,261	10,280
Canada.. . . .	4,558	4,994

As might be expected in an engineering accessory, the large demand is filled by Great Britain. The trade is distributed over a large number of lines and imports are largely by indent. To the best of the writer's knowledge, no British firm carries stocks of bolts and nuts in South Africa, nor are British prices particularly attractive upon many lines. The Continent appears to be gaining in this trade, although it remains one of the few iron and steel requirements in which the United States is still a supplier. The bulk of the American trade, if not machined and special bolts and nuts, probably consists of carriage bolts, a line in which Canada is in a position to compete.

Canadian manufacturers of bolts and nuts should be represented in this market, as it seems probable that a canvas of the large hardware houses would place considerable business.

It is essential, however, that prices be not even fractionally above those of the United States, and Canada always seems to be slightly high in these lines.

WIRE NAILS

	1924	1923
	£	£
Great Britain.. . . .	6,211	5,544
Belgium.. . . .	18,493	24,653
Germany.. . . .	19,286	13,081
All suppliers.. . . .	43,700	52,069

The excellent business which Canada formerly enjoyed in this item has slowly but steadily receded and Continental suppliers are completely on the top of the market. The present year will show a continuation of German progress, particularly because of the long Belgian strike. Price alone is the decisive factor in this trade, as numerous complaints upon the quality of German nails have been heard. A curious feature is the complete cessation of imports from the United States, which formerly enjoyed a very considerable share of the market.

NAILS—CUT AND OTHER

	1924	1923
	£	£
Great Britain.. . . .	23,248	74,338
Sweden.. . . .	6,035	8,066
All suppliers.. . . .	42,579	95,220

It is difficult to say why Great Britain's showing is so good under this item and so indifferent in the wire nail trade; the only reason which suggests itself is that she has specialized on one trade and not on the other. Canada does not supply any cut nails, but still retains a small trade in horeshoe nails which could be developed with representation and more aggressive sales effort.

SCREWS AND WASHERS

	1924	1923
	£	£
Great Britain.. . . .	73,147	not previously
All suppliers.. . . .	77,305	differentiated in Customs returns.

The business in machined screws of all types is very largely in the hands of a single British combine, which gives the market every attention and whose predominance will probably remain unchallenged for some time. In contradistinction to many British export combinations which emphasize price fixing, there is no attempt on the part of the present suppliers to hold up the prices of these goods. In every department of the trade this supplier is supreme.

BUILDINGS—SMALL HARDWARE

	1924 £	1923 £
Great Britain.. . . .	62 657	not previously
Germany.. . . .	15,736	differentiated in
United States.. . . .	12,063	Customs returns.
All suppliers.. . . .	98,358	

The above statistics are incomplete, as they represent only door and window hardware, and a number of other items are classified under separate heads. The backbone of this trade, consisting of locks, hasps, hinges, sash centres, fasteners, door handles, and similar wrought and cast accessories, is of the rough black type which one sees in the Canadian West. The types are roughly analogous to those used and manufactured in Canada, and it is only a matter of price that prevents extensive Canadian competition in these lines. In so far as black goods are concerned, British offerings have always been found superior in price, although of a somewhat rougher nature than similar Canadian offerings. It should be possible for Canadian firms to compete in this section of the trade, but only upon a narrow margin of profit.

In addition, however, to the black finished small hardware, there is a growing demand for better types of the same goods in japanned, brass, and various burnished finishes. This demand is reflected in the considerable American imports, since American shapes in this better-class trade have more quality to them than British offerings; moreover, in this top section of the trade a considerable number of American specialties can be sold. Door handles are an American line of particular favour, and there are several other types of this hardware in which American patterns are fancied. In this division of the trade price is not such an extreme factor, and it should be much easier for Canadian manufacturers of such hardware to effect an entrance. There is only one way to sell these lines in South Africa, and that is by providing a representative who covers the country thoroughly with a complete range of samples. Individual orders are small, but they represent a substantial figure in accumulation.

AUSTRALIAN FINANCIAL AND COMMERCIAL CONDITIONS

C. HARTLETT, OFFICE OF THE TRADE COMMISSIONER

Melbourne, December 2, 1925.—The disappearance of factors which have had a depressing influence on general business during recent months has given rise to a much more optimistic feeling amongst traders and current business is reported to be brighter than for some time. Apart from the buying activity usual at this time of the year in preparation for the Christmas trade, there is every indication that December trading will be in good volume and well up to the average of former years.

PUBLIC FINANCES

Public finances are in a healthy condition, the customs revenue for the first five months of the current financial year having yielded £16,054,022, or £363,866 more than in the corresponding period of last year and £554,000 more than was estimated in the budget. The returns from postal and other sources of income are also well up to expectations.

The Commonwealth Government $5\frac{1}{2}$ per cent loan of £67,000,000 for repayment of the one for that amount maturing on the 15th of December has met with a very ready response from financial institutions and the public and is to be closed in a few days. It speaks well for the financial resources of the country that an internal transaction of such magnitude could be carried through without any marked adverse effect on ordinary banking and trading conditions. Over £20,000,000 was received in new money, the balance being conversions from the old into the new loan.

SEAMEN'S STRIKE

The large majority with which the Government was returned to power at the general elections on November 14 had a very settling effect on the general community and ended the strike of British seamen which had been prolonged for fourteen weeks. Although the men had been gradually drifting back to their vessels for some weeks, a large number held out with the declared intention of awaiting the result of the elections in the hope that a change of government might bring some redress of their grievances. As their hopes were not realized, the strike has now been declared off and the idle vessels in these waters are now being fully manned and departing with full cargoes, much to the relief of the primary producer.

Had it not been for the steamers of the Commonwealth Government Line and a number of foreign vessels which were not affected, the strike might have proven disastrous to the overseas trade of the country. As it was, export trade was badly dislocated for a time and much loss was incurred owing to delayed shipments of produce until vessels with refrigerated space became available in sufficient numbers to relieve the situation.

CONDITION OF AGRICULTURE

With elections, loans, and strikes disposed of, the only cause of anxiety at present is the certainty of a much reduced grain harvest as the result of the lack of rain at the right time. Splendid general rains fell a week or so ago, but while of great benefit to the pastoral, dairying, and fruit industries, were too late to be of much value to the farmers in some sections, with the result that large areas under wheat and oats will not repay harvest expenses. At the most a wheat yield of 100,000,000 bushels is expected, or less than two-thirds of that of last season, and in all probability the yield of oats will be less than home requirements and importation to some extent become necessary.

Canadian exporters of oats have been advised of the possibility of the Australian shortage and quotations and samples are now being received and submitted to interested dealers. It is understood that New Zealand and South Africa are also competing for the business, but quality and price will be the determining factors. In sympathy with the grain situation, wheat has firmed in price, the nominal quotation at present being 6s. 6d. per bushel f.o.b., but there are few sellers. Flour is quoted at £13 per ton of 2,000 pounds f.o.b. in 150-pound sacks for the United Kingdom and £13 5s. in 100-pound sacks for other destinations, but as these prices are higher than the export parity of other countries no business has been done with overseas countries for two months or more.

The current wool clip is reported to be well up to that of former years in quality, but slightly less in quantity. Prices at most of the November auction sales were very satisfactory to the grower, but at the last one or two Continental, English, and American buyers did not appear to be prepared to bid as high as formerly, with the result that values for best merinos have declined by about 10 per cent and comebacks and crossbreds by 5 per cent in comparison with the highest November rates.

ECONOMIC CONDITIONS IN JAMAICA

F. L. CASSERLY, OFFICE OF THE TRADE COMMISSIONER

Kingston, December 31, 1925.—Unrevised statistics just issued show that the Colony's export trade during the year has on the whole been better than in 1924. More favourable seasons, and the absence of a hurricane, are the principal factors responsible for this improvement. The comparative figures of the principal commodities exported are given as follows:—

	1925	1924
Bananas (stems).....	14,773,439	11,631,437
Coconuts (no.).....	25,921,204	22,785,971
Coffee (cwt.).....	99,430	53,431
Ginger (cwt.).....	23,201	13,784
Rum (gallons).....	1,033,426	714,157
Sugar (English tons).....	37,843	23,247

Current f.o.b. prices are approximately as hereunder:—

Sugar, refining crystals, basis 96 deg. polariscope test, per ton of 2,240 lbs...	£13	
Rum, ordinary, per imperial liquid gallon.....		2s. 6d.
Bananas, per c.unt stem.....		1s. 9d.
Coconuts, per 100.....		7s.

GENERAL BUSINESS CONDITIONS

On the whole, these are good. The Christmas trade was brisk, and people seemed to have more money to spend this year than in 1924. Nevertheless, the public revenues show a falling off from the estimates, and strict economy in expenditure is still being enforced. This deficit is largely due to the fact that values of imported commodities are, in the main, less now than a year ago. Import duties, which form the principal source of Government revenue, are in the case of the majority of articles assessed *ad valorem*.

GENERAL

Attempts are being made, with official support, to establish a silk industry in Jamaica. Under the auspices of the Jamaica Agricultural Society, cocoons are being distributed and lectures held. About two thousand persons are reported to have planted mulberry trees, which grow readily in this climate. There is also about to be launched a campaign for the extension of coffee cultivation. Jamaica to-day produces much less coffee than she did a century ago.

FLOUR TRADE OF THE BRITISH WEST INDIES AND BRITISH GUIANA

TRADE COMMISSIONER H. R. POUSSETTE

II

(Part I of this report appeared in last issue)

BISCUIT FACTORIES

There are a few small biscuit factories in Barbados, Trinidad, and British Guiana. They make quite a good quality of plain biscuits that compare not unfavourably with the imported article. These biscuits are usually sold in barrels and meet the demand of the poorer classes of people who are not able to afford the higher price of the imported tinned biscuits. Biscuit factories use entirely a soft wheat flour.

BAKERIES

It cannot be said that there is a truly modern bakery in any of the islands. In Trinidad two bakeries using electric mixers constitute the nearest approach to up-to-date methods that have been introduced; in all of the other establishments, the dough is mixed in the old way—by hand. No cutting machines are used, the dough being cut up into a long sausage-like shape with a knife, and as this is drawn to the end of a table lumps are broken off approximating the size of the bread loaf which it is intended to bake. Neither is there in any case an automatic machine used for weighing. The ingredients are apportioned to a more or less extent on judgment, or by guess work; so many buckets of water, so many buckets of flour, and so many measures of locally

made yeast. The result of such methods is that bakers are not able to determine exactly the amount of bread they obtain from equal quantities of different makes of flour. But even if they did accurately measure out the ingredients, the test would still probably fail for want of proper appliances for cutting the dough. No doubt bakers could test the results obtained from various flours if they would take the trouble, but this they will not do. They are satisfied with rule-of-thumb methods, and the only way they can arrive at an approximate determination of the results obtained is by comparing the number of loaves in a day's or week's baking.

CLASSES OF FLOUR REQUIRED FOR HOME BAKING

Both hard wheat and soft wheat flours are used for home baking, although on an equal price the former will always be chosen. The better class use hard wheat flour, but the poorer take whichever is the cheaper and, as already stated, favour the whitest flour. Home baking refers to the baking of bread, cakes, pastry in the better-class homes, to "floats" and "johnny cakes" in the houses of the poor coloured class, and "roti" in the homes of the East Indians.

"Floats" and "johnny cakes" are made by mixing the flour into dough, after which it is cut into pieces, kneaded into flat round sizes as required, and then fried in grease. The East Indians make what is known as "roti," the Indian word for bread. For this they take a large piece of dough, which they knead into flat round cakes which are baked on a flat round iron made for the purpose. Cakes and pastry are usually made in the homes.

CONTAINERS

Flour for the West Indian trade is put up in 196- and 98-pound bags. In Trinidad the demand is mainly for sacks of 196 pounds, whereas in Barbados and British Guiana both sizes are used. For the counter trade in grocery shops flour is imported in 3½- and 7-pound bags, which meet the needs of the householders. Very little flour is imported in barrels, except by the biscuit factories, who find the containers useful for shipping their own products.

UNITED STATES COMPETITION

As will be seen from the statistics, the competition of the United States mills is now very weak. They are only able to sell in the British West Indies markets when they can offer their product at a price which will absorb the preference and leave a small margin.

ARGENTINE COMPETITION IN FLOUR AND OFFALS

Argentine flour competes to a small extent in "Extra" grades, but so far they have not been able to do anything in "Bakers" grades. They are also able to do some business in a low-grade flour. Argentina has some of the trade in bran, which, like all offals, is sold on a price basis. Argentine shippers are able to ship their goods to this market by the Lamport & Holt Line steamers, which, calling at Trinidad and Barbados on their way north usually about twice a month, provide a convenient and fast service.

OFFALS AND POULTRY FOOD

The trade in offals is not a large one, due to the limited numbers of stock running in this and neighbouring colonies. A little poultry food is imported, but few of those who keep fowls understand the advantage of feeding them a balanced ration.

TERMS ON WHICH FLOUR IS SOLD

Flour is usually sold on a fifteen days' sight draft, documents on acceptance; a small amount is sold for cash, but on that basis it is difficult to negotiate sales. Commissions paid to agents are more or less uniform, but some firms arrange with the mill which they represent to guarantee accounts for an extra amount. As to such an arrangement, accounts can only be guaranteed as a rule in the case of a well-established flour, since the agent is able to confine his sales to the best class of merchants. Where a flour is very strongly established the smaller man, although he may not be able to purchase direct, nevertheless must stock the flour, and therefore is compelled to go to the stronger merchant for his requirements.

CONDITIONS OF FLOUR MARKET

The supply of flour in British Guiana and the British West Indian markets is fairly uniform, and this particularly applies to Barbados and British Guiana, where there is less inclination to speculate than in Trinidad. Occasionally periods of abundance and of scarcity occur. In Trinidad there was an example of over stocking in the early part of the year. The reason given for this was that merchants were expecting a good crop and hence laid in a stock of flour somewhat larger than usual. The cocoa crop not coming up to expectations, the merchants commenced to unload for fear of sustaining a loss. Very probably another reason was that at the time the flour was purchased it was expected the price would rise, whereas as a matter of fact it dropped. In Trinidad the competition in the flour trade is excessively keen, and apparently merchants do not hesitate to cut prices if they see a possibility of being left with an overstock on their hands. It is undoubtedly in the interests of millers, merchants and agents that as far as practicable a uniform quantity of flour should be maintained on the various markets.

AGENTS

Generally speaking, it can be said that practically all flour is sold throughout the West Indies by means of resident agents. In view of this condition, it is highly important that Canadian flour mills should be represented by reliable and energetic agents. Further more it is advisable that they have separate agents for each of the principal colonies except in the cases of those firms who maintain their own branch offices in the more important colonies. It is extremely difficult, if not impossible, for an agent, say in Trinidad, properly to work Barbados or the British Guiana markets.

When appointing agents, it would be advisable to request a list of the names of the firms with whom they propose to deal, in order that reports on the proposed customers may be obtained through the head offices of the Canadian banks doing business in the British West Indies. It is also to be recommended that agents should be encouraged not to over-sell, as if by their persuasive powers the merchants are induced to overstock, the flour before being sold may deteriorate, with the result that it will lose favour in the eyes of the customer, or the dealer, or both.

ADVERTISING

Very little advertising of the various brands of flour is undertaken. It is questionable whether newspaper advertising would pay, although it can hardly be said that as yet this form of publicity has been properly tested. It is also questionable whether advertising by posters would furnish results commensurate with the cost. Undoubtedly the best advertisement is satisfied users, and the energetic and sustained effort of a local agent.

It might be mentioned in connection with advertising that in the better-class homes marketing for the household is usually done by the cook, while newspaper publicity would never reach the working man who buys his flour over the counter in small parcels.

PLACING A BRAND OF FLOUR ON THE MARKET AND KEEPING IT THERE

To place a new brand of flour upon the West Indian markets ordinarily would be a matter of price and quality, but as makes of the same grade are quoted now at a uniform price, the price argument must be eliminated. It is doubtless in the interest of all that price cutting be discouraged by Canadian millers, as in the end it only leads to over-keen competition, and practices on the part of some, which in the end would prove detrimental to the interest of the consumer, the agent and manufacturer.

Where one or more brands of "Bakers" grade flour are firmly established it is difficult for a new one to cut in. Price, quality, etc., being equal, success can usually be obtained only through the efforts of the agent. If he be well regarded and be capable, energetic and persistent, probably in time he may be able to secure a portion of the bakers' trade. So far as the shop trade is concerned, this is largely a matter of agents, with the advantage of course to any flour that has been able to establish itself in the favour of the dealers and to perhaps a lesser extent, the public.

As pointed out above, except in two or three instances, bakers work by rule-of-thumb methods, and consequently they are not able properly to arrive at an accurate opinion as to the merits of any particular make of flour. They become used to a certain mark after finding that it gives good results, and naturally are loathe to change it. In reality they become accustomed to the brand, and very probably would be prejudiced against it if the identical flour were sold under another mark. A very determined agent desiring to secure a portion of the bakers trade should succeed in time, but he must be constantly on the alert and prepared to visit the bakeries at any hour, and take any other trouble that may seem expedient. The best advice that can be given to flour millers desiring to put a brand of "Bakers" flour on the West Indian market, is to select a reliable, aggressive, intelligent and energetic agent, and then support him to the limit, particularly with samples of flour and circular letters. Canadian millers unless they have studied the West Indian markets, can hardly appreciate the difficulty which an agent experiences in introducing a new brand to compete with one or more already firmly established in the favour of the bakers.

MISTAKES MADE BY ONE OR TWO MILLS

In the past mistakes have been made by one or two mills owing to which they have forfeited a favourable position. According to agents and dealers, the mistakes and faults made have been of various kinds. One complaint is that shipments have not been up to contract time, and also the documents have not been in order. But perhaps the most serious fault according to reports is that of shipping inferior for a better grade, either by mistake, or to take advantage of an already established reputation. Fortunately these instances have been rare and occurred some years ago. One dealer in conversation went back over the history of the flour trade and instanced several brands that had come into this market, attained the highest popularity, waned and sunk into comparative obscurity. He attributed this in each case to shipments of an inferior grade of flour to that ordered. He went on to say that while errors of this kind might be passed over once, and even twice, a third occasion would involve the loss of the trade which would go to the next most popular competitor. With competition as it is to-day, no mill can afford to make mistakes, as they are speedily detected and there are invariably aggressive competitors ready to take advantage of the slightest opening.

SYSTEM OF DISTRIBUTION

The system of distribution is that flour is sold by the mill's agent to the importing merchant to whom the shipments are invoiced direct, and upon whom the drafts are made. These merchants in turn sell the flour to the small shop

keepers, and to the bakers. However, the import of flour is not confined entirely to the largest, or even the secondary houses, but agents will sell direct to small dealers when they have confidence in their integrity. But it may be mentioned in passing, that it is much safer for Canadian millers to confine their sales to only those firms who have the reputation of meeting their commitments promptly.

THE QUALITIES WANTED IN FLOUR

Consumers in the British West Indies have little knowledge of what constitutes the various grades of flour. The flour demanded by the bakers is a good strong spring wheat flour, rich in gluten and calculated to make a maximum quantity of bread. With the baker colour is naturally less important than strength, so that it is only the poor householder who pays much attention to that characteristic. The better class householder prefers the bakers grade of flour, and hence has not much regard to colour. A finely ground flour is much more popular than one coarsely ground. Attempts have been made to sell coarse "Supers" in this market, but apparently without success. Even if coarsely ground flours are cheap, the labouring class will not buy them unless compelled by stark necessity.

With regard to moisture, it has been recommended that new crop flour should be stored for several months in Canada before shipping, in order to reduce the moisture contents, for unless this is done, it is said that bakers, with the methods they follow, experience difficulty in working with it. Due to the dampness of the climate and the heat, flour should be as dry as possible before shipping. So far as the strength of the flour is concerned, outside of "Bakers" little or no attention is paid to it, nor is the appearance of the baked bread, the crumb, etc. considered as they are in Canada and other countries where modern methods are employed.

REASONS FOR SUCCESS OF VARIOUS MARKS

It may be asked why certain marks of flour have succeeded, while others have failed. This subject was touched upon above, but it will not be amiss to emphasize that to keep an established trade it is absolutely necessary to maintain a uniform quality of flour, and to be systematic in all operations in connection with shipping, documentation, etc. Some mills have not succeeded and probably never will, as they hand over their agencies to firms who will not take the necessary trouble to sell their product.

BLEACHED FLOUR

Answering the question as to whether there is a prejudice against bleached flour, the contrary can be said to be the case. This remark of course does not apply to "Bakers" grade. Several mills who blend and bleach the lower grades of flour are more successful in marketing their products than others who produce a higher grade; in fact it is alleged they are able to sell a lower grade of flour at a higher price than the product of the miller who refuses to bleach or blend.

DETERIORATION

Flour, and particularly "Bakers" grades will remain in good condition in these islands for a period of from six weeks to two months. After that, weevils will develop very quickly due to the moisture absorbed by the flour while in storage. In some cases when the market has been over-stocked, merchants have resorted to placing large quantities of flour in cold storage to prevent weevils developing, but such flour must be used very quickly after withdrawing it, owing to the rapid deterioration to which it is subject.

THE PLACE OF FLOUR IN CANADIAN TRADE

It was stated in the first part of this report that flour occupied an important place in the trade of the Dominion with British Guiana and the Eastern group of

the British West Indies. To show how high a place this is, it may be stated that, of the total imports into British Guiana, Trinidad and Barbados during the year 1924, about 38 per cent of the value must be credited to flour. The total value of the imports amounted to £1,952,214, and the total value of the imports of flour amounted to £741,416.

IMPORTS OF CATTLE AND OTHER ANIMAL FOOD, OATS AND CEMENT, INTO BRITISH WEST INDIA COLONIES

(Year ended December 31, 1924)

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

NOTE.—Cattle and Other Animal Food include "Bran and Pollard" "Oil Meal" and "Other kinds of cattle food".

Colony	Commodity	Total Imports		Imports from—					
				United Kingdom		United States		Canada	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
	Cattle and other Animal Food.	Lb.	\$	Lb.	\$	Lb.	\$	Lb.	\$
Bermuda.....			125,530				51,289		74,241
British Guiana.....		805,265	24,055	6,960	169	85,294	2,671	708,761	21,113
British Honduras.....			4,134				3,993		
Bahamas.....			16,980				15,223		1,270
Barbados.....		10,811,987	757,049	33,353	9,864	358,741	172,951	6,654,428	450,332
Grenada.....		146,055	4,725			50,010	1,479	90,320	3,100
Jamaica.....		247,515	9,368	515	58	59,200	2,229	65,300	2,044
Leeward Islands—									
Antigua.....			658,663			5,750	161	474,213	13,724
Dominica.....			62,189			8,587	394	43,631	1,840
Montserrat.....									
St. Kitts-Nevis.....			810,200					671,400	34,465
Virgin Islands.....									
St. Lucia.....			51,288			11,505	399	38,283	1,124
St. Vincent.....			46,879					35,505	1,343
Trinidad and Tobago.....			6,725,599	1,000	34	403,492	13,115	4,881,950	139,488
Total Imports.....			1,186,525		10,125		263,904		744,084
Per cent.....			100.0		0.9		22.2		62.8
	Oats								
Bermuda.....		7,913,024	176,256			7,456,234	165,729	456,790	10,527
British Guiana.....		4,699,727	110,194			16,605	440	4,683,122	109,754
British Honduras.....		282,864	6,130	13,232	372	75,242	1,643	194,390	4,115
Bahamas.....		1,088,000	27,229			380,800	10,726	699,074	16,503
Barbados.....		6,040,729	220,475			1,550	53	5,486,729	200,258
Grenada.....		367,294	11,101	2,400	73	590	24	364,304	11,004
Jamaica.....		2,197,494	112,123	2,800	49	154,740	5,149	2,039,954	106,925
Leeward Islands—									
Antigua.....		310,014	6,949	4,800	156	273,253	5,976	11,779	277
Dominica.....		44,453	1,348			811	29	43,642	1,319
Montserrat.....		22,530	482			160	10	21,410	423
St. Kitts-Nevis.....		27,012	827			162	19	26,060	784
Virgin Islands.....		1,039	161			532	73		
St. Lucia.....		98,690	2,501			3,530	63	95,160	2,438
St. Vincent.....		47,663	1,245			430	15	47,233	1,230
Trinidad and Tobago.....		9,537,726	127,735			1,420	44	9,536,306	127,691
Total Imports.....		32,678,259	804,756	23,232	650	8,366,059	189,993	23,705,953	593,248
Per cent.....		100.0	100.0	0.07	0.08	25.6	23.6	72.5	73.7
	Cement								
Bermuda.....		7,056,400	45,056	4,890,800	31,362	1,286,400	8,219	879,200	5,475
British Guiana.....		11,702,000	93,850	5,722,400	47,157	157,200	1,427	5,400,800	42,683
British Honduras.....		1,301,200	9,665			4,800	28	1,296,400	9,637
Bahamas.....		5,738,000	42,062	1,440,000	12,171	4,210,000	29,190	88,000	701
Barbados.....		5,073,600	43,216	3,756,800	31,994	7,600	63		
Grenada.....		559,600	5,859	539,600	5,664	10,400	116		
Jamaica.....		25,533,200	182,222	21,241,200	151,830	20,000	141	404,400	2,910
Leeward Islands—									
Antigua.....		631,200	5,786	459,200	4,278				
Dominica.....		477,600	5,796	94,000	1,431			60,400	978
Montserrat.....		117,600	1,134					4,000	34
St. Kitts-Nevis.....		2,019,200	19,777	1,700,800	16,726	5,600	83	260,000	2,380
Virgin Islands.....		196,400	1,801						
St. Lucia.....		602,560	5,513	87,360	891	206,080	1,538	94,080	998
St. Vincent.....		848,800	6,832	473,600	4,034	1,200	15	104,000	915
Trinidad and Tobago.....		23,596,000	168,805	16,102,400	118,664	64,800	1,917	820,000	6,234
Total Imports.....		85,453,360	637,374	56,508,160	426,202	5,974,080	42,737	9,411,280	72,945
Per cent.....		100.0	100.0	66.1	66.8	7.0	7.0	11.0	11.1

CONDITIONS IN THE UNITED STATES

TRADE COMMISSIONER FREDERIC HUDD

New York City, January 11, 1925.—The record of business in 1925 and the degree of stability that industry appears to have reached at the beginning of the new year are regarded as favourable factors in the present business outlook. Large industrial production in the past year is reported to have been well balanced by an active distribution of goods. Conditions in the steel industry may be taken as a fair index of the business situation. Steel ingot production in 1925 aggregated 44,186,977 tons according to the returns of the American Iron and Steel Institute, based upon returns received from companies which made 94.43 per cent of the steel ingot production in 1924. This total establishes a new high record in the history of the industry, and compares with a previous record of 43,619,000 tons established in 1917. The production in 1924 amounted to 36,811,157 tons.

The cotton industry is emerging from its depression of the last few years during which high cost of raw material prevailed. This development has been assisted by the large crop of cotton. Lower prices have also improved conditions in the wool and worsted industries. The silk industry is reported to have done a record business in 1925, and there has been marked expansion in the rayon industry. In industry generally employment has been large and wages high. The building industry last year surpassed all records, but it is anticipated that the present high rate of activity will not be maintained during the present year, although the volume of the work in hand does not indicate any possibility of a sudden slump.

Commodity prices in 1925 showed considerable stability. According to the United States Bureau of Labour statistics the price level in the first eleven months of 1925 was 158 of the 1913 average, as compared with 150 in 1924, 154 in 1923, 149 in 1922, 147 in 1921, and 226 in 1920. Due largely to the increase in the prices of animal products, there is less disparity between the price of farm products and the general price level.

Regarding the financial situation, bank deposits are higher than at any previous time and there are similar reports of stock prices and the market turn-overs of stock. At the time of writing the Federal Reserve Bank of New York announces an advance of $\frac{1}{2}$ per cent in its rediscount rate, which is now 4 per cent. The rate rise follows similar action in four other Federal Reserve districts, starting early last November, and places the New York rate on a parity with that prevailing in the eleven other centres of the Federal Reserve System.

BUSINESS OUTLOOK FOR 1926

Regarding the business outlook for 1926, responsible executives regard it as satisfactory. The Chairman of the United States Steel Corporation makes the following comment on the situation:—

At present the demand for iron and steel products is large and growing in strength. Selling prices are improving somewhat and there is reason to expect they will soon yield to most manufacturers considerable profit. The prospects of this industry for the year 1926 now seem to be very good. Unless some unforeseen circumstances arise to prevent, the general business situation in the United States during the coming year should be satisfactory.

The President of the General Motors Corporation says:—

There is ample reason to expect that the first half of 1926 will be a period of general prosperity in which the automobile business should share.

The Chairman of the Board of the National Bank of Commerce says:—

The sound position of merchants and manufacturers and the improved position of the agricultural interests of the country are ample grounds for confidence in good business in 1926. It is unlikely, however, that the year as a whole will show as great a gain over 1925 as did last year over its predecessor, and the certainty of stiff competition in many industries will call for high initiative and economy to assure satisfactory profits.

UNITED STATES GOLD AND SILVER PRODUCTION

TRADE COMMISSIONER FREDERIC HUDD

New York City, January 8, 1925.—Gold production in the United States in 1925 amounted to 2,376,514 ounces, valued at \$49,126,000, according to a statement issued by the United States Bureau of the Mint and was less than that of 1924 by approximately \$3,150,000.

Silver production in 1925 aggregated 65,722,720 ounces, valued at \$45,611,568 based on the price of 69.4 cents an ounce, the average New York price of bar silver. The silver production of 1925 exceeded that of 1924 by about 315,000 ounces.

UNITED STATES FARM CROPS

TRADE COMMISSIONER FREDERIC HUDD

New York City, December 29, 1925.—Considering the gross value of crops produced in the United States, based on December 1 prices, there is an apparent decrease in farm income from crops this year of approximately \$600,000,000, according to production figures and prices furnished by the Crop Reporting Board of the United States Department of Agriculture.

The approximate figure for twenty eight of the principal crops, bulking all truck crops under one heading, was \$9,200,000,000 in 1924, and \$8,600,000,000—a reduction of about 6 per cent—in 1925.

CANADIAN WHEAT EXPORTS INCREASE

From the Summary of exports of Canadian grains and flour, just issued by the Dominion Bureau of Statistics, for the five months ended December 31st last, as compared with the same period for the previous year, it would appear that there has been a large increase in the exports of wheat, the exports for the month of December amounting to 57,007,913 bushels, valued at \$84,967,845.

The increase in the exports of wheat, compared with the same month last year, would seem to indicate that the total exports of Canadian products from Canada for the month of December, 1925, will exceed those for any other month in the history of Canada, except during the war period.

During the month of November, 1917, (war period), the exports of Canadian products from Canada totalled about \$187,000,000.

TARIFF CHANGES AND CUSTOMS REGULATIONS

British Merchandise Marks Act

In view of several inquiries received from Canadian firms about British merchandise marks regulations, the following information, taken from a London Custom House circular (issued June, 1917) will be of interest as indicating in a general way what is required under the law:—

1. Foreign goods imported into the United Kingdom which do bear any marks whatever, either on the goods themselves or on the packages or wrappers containing them, are not required to bear any qualifying statement or indication, such as "Made abroad," "Made in Japan," etc.

2. Foreign manufactured goods bearing a name or trade mark being, or purporting to be, the name or trade mark of a manufacturer, dealer, or trader in the United Kingdom, must have that name or trade mark accompanied by a definite indication of origin of the goods.

The name of the country is a sufficient indication, without the words "Made in," if a name or trade mark only appears, e.g. "John Smith, Holland," would be satisfactory. If such a mark as "John Smith, Sheffield," is used, then the qualification must be "Made in Holland," or similar wording.

3. If foreign imported goods bear the name of a place identical with, or a colourable imitation of, the name of a place in the United Kingdom, the name should be accompanied by the name of the country in which the place is situated. Thus Boston in Massachusetts should be accompanied by the name "United States," or by the initials "U.S.A."

4. If a trade description includes the name of a place, and the goods on which it appears are not the products of that place, or of the country in which it is situated, the trade description must be accompanied by a statement indicating the actual country of production. For instance, a wine, the produce of California, and described as "Sherry" (which word is derived from the name of the place Xeres), should have that description accompanied by the statement "Produced in California," or should be described as "California Sherry." An exemption to this rule is made in cases where the name of a place in a trade description is indicative merely of the character of the goods, and is not calculated to mislead as to the country of origin. Thus such a description as "Brussels carpet," or "Portland cement," need not be accompanied by a statement of the country of actual production, unless as required under paragraph 2 above.

5. Trade descriptions in the English language applied to foreign goods imported for home use from non-English-speaking countries are not regarded as indirect indications that the goods are of British or Irish origin, unless the officers have good grounds for considering that such trade descriptions are specially designed to convey, and do in fact convey, an impression of British or Irish origin for the goods.

Trade descriptions on imported goods in a foreign language, which is not that of the country from which the goods are imported, must be accompanied by a statement of the actual country of production of the goods, e.g. "Made in Portugal."

6. As regards watches, any marks on the case is deemed to extend to the watch. If, therefore, a watch case is made in this country, and bears any statement or indication of such origin (as, for instance, a British assay mark), and the watch itself is made in Switzerland, then there must appear either,

- (a) In close proximity to the assay mark a conspicuous statement that the watch is of foreign make; or
- (b) On the dial and also on the top or bottom plate of the movement, visible between the bridges, an indelible statement or indication that the watch is of Swiss origin.

7. All qualifying statements or indications must be distinct, in equally conspicuous and indelible characters with, and in close proximity to, the marks they are intended to qualify.

8. Marks on samples or patterns, whether of British or foreign manufacture, are not required to be accompanied by any qualification, provided such samples or patterns are valueless in themselves, do not form whole or complete articles, and can be readily distinguished as samples or patterns.

Mr. Harrison Watson, Canadian Government Trade Commissioner in London, advises that although the necessity for showing the countries of origin is theretically limited to instances where there is fraudulent misrepresentation, or where an impression might be created that the marks imply United Kingdom origin, it is a safe precaution to add the words "Made in Canada" in all cases where Canadian goods bear any marks whatever. The point of special interest therefore is that if imported articles bear marks of any kind they at once become liable to the requirements of the Merchandise Marks Act, because the question will arise as to whether these marks in any way infringe the Act by conveying a wrongful impression as to the origin of the goods. The decision as to whether the Act has been infringed is, at least in the first place, left to the interpretation of the official at the particular port where the goods arrive. Where the goods bear marks of any kind the Canadian exporter can assure himself against any risk of contravening the regulations by marking them with the designation "Made in Canada." An alternative method suggested by Mr. Watson is for the exporter to send over in advance to his British customer or agent samples of any marks associated with the goods to be exported to the United Kingdom so that these marks can be submitted to the Customs officials for a ruling. Goods bearing no marks whatever are not liable to possible detention because of any infringement of the Merchandise Marks Act.

South African Income Tax Act of 1925

With reference to the article in Commercial Intelligence Journal, No. 1141, December 12, 1925, pages 624-5, concerning the South African Income Tax Consolidation Act, 1925, Mr. G. R. Stevens, Canadian Government Trade Commissioner at Cape Town, has forwarded some additional information respecting this measure, which will be given to exporters on application direct to the Department of Trade and Commerce, Ottawa.

South African Weights and Measures Act

Mr. G. R. Stevens, Canadian Trade Commissioner, Cape Town, reports that considerable difficulty still exists under the new South African Weights and Measures Act, with regard to containers used by Canadian exporters. A summary of the new act was published in Commercial Intelligence Journal, No. 1142, December 19, 1925, and where any container, used by a Canadian exporter to South Africa, is not specifically mentioned therein, the exporter is strongly advised to consult the Director, Commercial Intelligence Branch, Department of Trade and Commerce, for complete information, as to the requirements under the act, with respect to the container used. In this way considerable difficulty to all parties concerned, will be avoided.

United States Duty on Sanded Lumber Products

Mr. M. M. Mahoney, Representative of the Department of External Affairs at the British Embassy, Washington, has forwarded a copy of United States Treasury Decision 41261, respecting door jambs, window jambs, door sills, window stops, and articles of a similar character, which have been planed and sanded. The Treasury Department gave the opinion that lumber, sanded, is advanced beyond the condition of lumber described in paragraph 1700 of the United States duty free list, and that duty is assessable at $33\frac{1}{3}$ per cent *ad valorem* under paragraph 410 of the tariff which includes manufactures of wood, not elsewhere provided for in the tariff.

Importation of Sardines into New Zealand

Dunedin, N.Z., December 11, 1925.—Trade Commissioner C. M. Croft states that for some time past Canadian exporters of sardines have been very uncertain of their position in the New Zealand market, owing to the prohibition of the word "Sardine" as applied to fish other than immature pilchards. The regulations which were gazetted in 1916 have now been withdrawn and no fish labelled "sardines" will be prohibited from importation unless and until the European packers of immature pilchards (who were determined by the High Court of Great Britain to be the only authorized users of the term "sardine") give the necessary security as prescribed by the Patents Designs and Trade Marks Act of New Zealand.

This step by the New Zealand Government has been taken as a result of the extreme difficulty in identifying the so-called genuine sardine.

Canadian packers may now ship sardines without fear of refusal of entry. In the event of further action being taken by the European packers, sufficient notification will be given, so as to prevent loss to Canadian and other firms.

Wheat and Flour Duties under Tariff of Greece

The Director of the Commercial Intelligence Service has received a cablegram from the British Commercial Secretary at Athens regarding duties on wheat and flour under the new tariff of Greece, which went into force on January 1. The cablegram gives the following duties: wheat, maximum or general tariff, duties $7\frac{1}{2}$ gold drachmas per 100 kilos; minimum, conventional tariff, 6 gold drachmas per 100 kilos; flour, general tariff, $9\frac{1}{2}$ gold drachmas per 100 kilos; conventional tariff, 9 gold drachmas per 100 kilos. Coefficients for conversion into paper currency: wheat, $4\frac{1}{2}$; flour, 3. This is exclusive of the usual municipal and other supplementary taxes. The value of the gold drachma is 19.3 cents. The paper drachma at the current rate of exchange is worth about 1.3 cents. One hundred kilogrammes equals 220 pounds.

BRITISH TRADE COMMISSIONERS IN CANADA

Canadian importers and others desirous of obtaining information regarding the export trade of the United Kingdom and British manufacturers desirous of representation in Canada, are invited to communicate with the under-mentioned:—

The Senior British Trade Commissioner in Canada and Newfoundland, 285 Beaver Hall Hill, Montreal, Que. Telegraphic address: "Britcom."

The British Trade Commissioner (for Ontario), 901-902 Bank of Hamilton Bldg., Toronto, Ont. Telegraphic address: "Toroncom."

The British Trade Commissioner (for Western Canada), 18 Commerce Bldg., Vancouver. Telegraphic address: "Vancom."

The Officer-in-Charge (for Manitoba and Saskatchewan), British Trade Commissioner's Office, 703 Union Bank Bldg., Winnipeg. Telegraphic address: "Wincom."

TENDERS INVITED

New Zealand

Copies of specifications have been received from Mr. C. M. Croft, Canadian Government Trade Commissioner at Auckland, N.Z., for equipment required by the Public Works Department and the New Zealand Government Railways, Wellington. These specifications are open for inspection at the Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa. Tenders should be addressed to the Secretary, Public Works Supplies and Tenders Board, and the Comptroller of Stores, New Zealand Government Railways, Wellington, in accordance with these specifications.

PUBLIC WORKS DEPARTMENT

No.	Date of closing.	Particulars.
S.M. 259	April 6, 1926.	Arapuni Electric Power Supply, Penrose Substation; Section 133. 120 cells complete; 24 hydrometers; 2 cell voltmeters; 6 spare cells; erection, charging, etc.; 1 motor generator complete, erected; 1 switchboard complete, erected. Refer to Departmental File No. 29049.
S.M. 260	February 9, 1926.	Mangahao Electric Power Supply. Section 180. Manufacture, supply and delivery, c. & f., Wellington, of two indoor type automatic induction voltage regulators, to specification. Refer to Departmental File No. 29785.

NEW ZEALAND GOVERNMENT RAILWAYS

S. 08 353	Earliest possible date.	Ten pneumatic geared hoists, 1 ton capacity, or alternatively, 10 electric hoists, 1 ton capacity. Refer to Departmental File No. 19016.
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FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING JANUARY 18, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending January 18, 1926. Those for the week ending January 11, 1926, are also given for the sake of comparison.

		Parity	Week Ending	
			January 11, 1926	January 18, 1926
Britain	£	1.00	\$4.86	\$4.8575
Czecho-Slovakia	Crown	1.	.203	.0296
France	Fr.	1.	.193	.0377
Italy	Lire	1.	.193	.0404
Holland	Florin	1.	.402	.4020
Belgium	Fr.	1.	.193	.0454
Spain	Pes.	1.	.193	.1416
Portugal	Ese.	1.	1.08	.0520
Switzerland	Fr.	1.	.193	.1932
Germany	Reichs Mk.	1.	.238	.2381
Greece	Dr.	1.	.193	.0139
Norway	Kr.	1.	.268	.2036
Sweden	Kr.	1.	.268	.2676
Denmark	Kr.	1.	.268	.2488
Japan	Yen	1.	.498	.4445
India	R.	1.	2s.	.3700
United States	\$	1.	\$1.00	1.0025
Mexico	\$	1.	.498	.4830
Argentina	Pes.	1.	.424	.4137
Brazil	Mil.	1.	.324	.1490
Roumania	Lei	1.	.193	.....
Jamaica	£	1.	4.88	4.8775
British Guiana	\$	1.	1.	.....
Barbados	\$	1.	1.	.....
Trinidad	\$	1.	1.	.....
Dominica	\$	1.	1.	.....
St. Kitts	\$	1.	1.	.....
Grenada	\$	1.	1.	.....
St. Vincent	\$	1.	1.	.....
Tobago	\$	1.	1.	.....
Shanghai, China	Tael	1.	.708	.5837
Batavia, Java	Guilder	1.	.402	.4050
Peru	Pound	1.	4.86	3.85
Singapore, Straits Settlements .. \$		1.	.587	.5718

1.0037—1.015 1.0050—1.0175

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHEERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

61. BUTTER, CHEESE, EGGS, CANNED SALMON AND LOBSTER, CONDENSED MILK, APPLES (DRIED AND EVAPORATED).—A Dublin firm is open to accept agencies from reliable handlers of above commodities, and would purchase on own account.

62. DRIED FRUIT, WINES, LIQUEURS, BRANDIES, RUM, GIN, ETC.—A Cork firm are desirous of purchasing above on own account.

63. HONEY.—A firm of importers in Amsterdam would be glad to hear from Canadian exporters.

64. HONEY.—A concern in Groningen would like to hear from Canadian exporters.

65. FOODSTUFFS AND FEEDSTUFFS.—A firm in Tralee wish to purchase flour, oatmeal, cereal foods, wheat, and Indian maize.

66. CASEIN.—An Antwerp commission agent would like to hear from Canadian producers.

67. ALFALFA MEAL.—A London firm of forage importers seek supplies of Canadian alfalfa meal and invite offers and samples from Canadian shippers.

Miscellaneous

68. RAW TEXTILES.—A Dublin firm wish to purchase all kinds of above on own account.

69. ACETIC ACID.—A well-known firm of brewers' and bottlers' supply merchants in Australia, with an associated New Zealand house, desire samples and prices of pure acetic acid of various strengths, but principally for pickle manufacturers.

70. MEDICINE BOTTLES.—A well-known firm of brewers' and bottlers' supply merchants in Australia, with an associated house in New Zealand, desire to get in touch with medicine bottle manufacturers and to receive quotations and particulars of same.

71. RAILROAD SLEEPERS.—A Bristol firm of timber brokers and importers desire to hear from Canadian producers. Quotations to be preferably c.i.f. London in sterling.

72. DOUGLAS FIR.—Important Antwerp firm desire to hear from Canadian exporters of Douglas fir. Sizes: 10 inches and 12 inches by 12 inches over 40 feet in length and 3 inches by 9 inches over 20 feet in length. Prices c.i.f. Antwerp.

73. MAPLE WOODS (BENT AND WHITE).—An important French concern would like to receive prices and samples of the above.

74. WOOD FOR BRUSH HEADS.—A Birmingham firm of brush manufacturers state they use a good many boards 12 inches by $3\frac{1}{2}$ inches by $1\frac{1}{4}$ inches rounded at the ends and with handle hole bored. Will Canadian manufacturers kindly quote c.i.f. United Kingdom port, in sterling if possible?

75. BIRCH—BIRCH CULLS.—A South Wales firm ask that Canadian exporters supply them with birch, birch culls, or any other similar hardwood suitable for making tinplate boxes. Prices should be quoted per standard c.i.f. Swansea.

76. WEATHER BOARDING.—A Bristol firm of timber importers desire quotations on Western red cedar weather boarding. Initial quotations should be in two or three carload lots.

77. M. G. FOLDING BOARD.—A Bristol firm of paper importers, box manufacturers, and wholesale stationers desire quotations for manila-lined folding board. Sample may be obtained on application to the Department of Trade and Commerce, Ottawa.

78. GROUND WOOD-PULP.—A West of England paper mill is prepared to consider Canadian quotations on ground wood-pulp.

79. SULPHITE PULP.—A West of England paper mill desire Canadian quotations on strong sulphite and easy-bleaching sulphite pulp.

80. AUTOMOBILE ACCESSORIES.—Brussels firm desire to hear from Canadian manufacturers.

81. A Tralee firm are desirous of purchasing agricultural implements and machinery; hardware; building materials; cement; roofing materials; general ironmongery; steel, etc.; kitchen, enamel and aluminium ware; paints, varnishes, dry colours, oils, etc.; wire fencing, barbed wire, rope, etc.; confectionery, on own account.

82. NICKEL AND COBALT.—Important Belgian firm desire to open up business relations with Canadian exporters of nickel and cobalt.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Vancouver

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Asia, Feb. 6; Empress of Canada, Feb. 20—both Canadian Pacific.

To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—London Maru, Osaka Shosen Kaisha, Jan. 29.

To YOKOHAMA, KOBE, MOJI, DAIREN, TAKU AND SHANGHAI.—Alabama Maru, Osaka Shosen Kaisha, Feb. 14.

To YOKOHAMA, KOBE AND HONG KONG.—Achilles, Jan. 28; Protesilaus, Feb. 18—both Blue Funnel.

To YOKOHAMA, KOBE, SHANGHAI AND TSINGTAO.—Mexico Maru, Osaka Shosen Kaisha, Jan. 24.

To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Niagara, Canadian-Australasian Royal Mail Line, Feb. 10.

To AUSTRALIAN AND NEW ZEALAND PORTS.—West Islip, Pacific-Australasian Line, Feb. 15.

To WEST COAST UNITED KINGDOM PORTS.—Canadian Skirmisher, C.G.M.M., Feb. 25.

To LONDON.—Loch Monar, second half January; Loch Gail, early February; Grootendyk, middle February—all North Pacific Coast Line; Canadian Importer, C.G.M.M., Feb. 10; Justin, United American Line, late January.

To LIVERPOOL.—Loch Monar, second half January; Loch Goil, early February; Grootendyk, middle February—all North Pacific Coast Line.

To MANCHESTER.—Northwestern Miller, Feb. 2; Pacific Trader, Feb. 9—both Furness Line.

To GLASGOW.—Gaasterdyk, North Pacific Coast Line, early February.

To BORDEAUX, HAVRE AND ANTWERP.—Arkansas, Feb. 8; Georgia, Feb. 20—both Cie. Gle. Transatlantique (French Line).

To ANTWERP.—Loch Monar, second half January; Gaasterdyk, early February; Glamorganshire, late February—all North Pacific Coast Line; Canadian Importer, C.G.M.M., Feb. 10; Justin, United American Line, late January.

To HAMBURG.—Loch Monar, second half January; Gaasterdyk, early February; Glamorganshire, late February—all North Pacific Coast Line; Justin, United American Line, late January.

To ROTTERDAM.—Loch Monar, second half January; Gaasterdyk, early February; Loch Goil, early February; Grootendyk, middle February; Glamorganshire, late February—all North Pacific Coast Line.

To HAVRE.—Glamorganshire, North Pacific Coast Line, late February.

To GENOA, LEGHORN, NAPLES AND TRIESTE.—Tagliamento, Navigazione Libera Triestina, Feb. 15.

To WEST INDIES AND EAST COAST OF SOUTH AMERICA.—West Cactus, Pacific-Argentine-Brazil Line, early February.

From St. John

To LONDON.—Bosworth, Jan. 30; Brecon, Feb. 13—both Canadian Pacific; Canadian Raider, Feb. 3; Canadian Rancher, Feb. 17—both C.G.M.M.; Verentia, Jan. 27; Vallevia, Feb. 17—both Cunard Line.

To CARDIFF AND SWANSEA.—Canadian Mariner, Jan. 27; Canadian Victor, Feb. 10; Canadian Leader, Feb. 24—all C.G.M.M.

To LIVERPOOL.—Montrose, Jan. 29; Metagama, Feb. 5; Montcalm, Feb. 12; Montclare, Feb. 19—all Canadian Pacific; Newfoundland, Furness, Withy, Feb. 2.

To AVONMOUTH.—Parthenia, Feb. 5; Kastalia, Feb. 20—both Anchor-Donaldson; Bawtry, Canadian Pacific, Feb. 5.

To SOUTHAMPTON.—Marloch, Canadian Pacific, Feb. 17.

To MANCHESTER.—Manchester Corporation, Manchester Liner, Feb. 6.

To GLASGOW.—Morevia, Feb. 2; Gracia, Feb. 16; Carmia, Feb. 23—all Anchor-Donaldson; Brandon, Jan. 26; Bolingbroke, Feb. 9—both Canadian Pacific.

To ANTWERP.—Canadian Raider, Feb. 3; Canadian Rancher, Feb. 17—both C.G.M.M.; Balfour Feb. 3; Marloch, Feb. 17—both Canadian Pacific.

To HAMBURG.—Laval County, Intercontinental Transports, Jan. 30; Balfour, Feb. 3; Batsford, Feb. 24—both Canadian Pacific.

To BERMUDA, BARBADOS, TRINIDAD AND DEMERARA.—Berwyn, Canadian Pacific, Feb. 6.

To AUSTRALIAN AND NEW ZEALAND PORTS.—A steamer, New Zealand SS. Ltd., Feb. 16.

To CUBA.—Emperor of Fredericton, Jan. 30; A steamer, Feb. 10—both Canada-Cuba Line.

To SOUTH AFRICAN PORTS.—Cariboo, Elder Dempster, Feb. 15.

From Halifax

To PLYMOUTH, CHERBOURG AND LONDON.—Antonia, Cunard Line, Feb. 22.

To CHERBOURG AND LONDON.—Ascania, Cunard Line, Jan. 25.

To HULL.—Valemore, Furness, Withy, Jan. 25.

To LIVERPOOL.—Mongolian Prince, Furness, Withy, Jan. 30; Daytonian, White Star-Dominion, Feb. 12; Carmania, Cunard Line, Feb. 15.

To COB (QUEENSTOWN).—Carmania, Cunard Line, Feb. 15.

To MANCHESTER.—Manchester Merchant, Feb. 1; Manchester Corporation, Feb. 8—both Furness, Withy; Daytonian, White Star-Dominion, Feb. 12.

To LONDON.—Valemore, Jan. 25; Incemore, Feb. 1—both Furness, Withy.

To ST. JOHN'S, Nfld.—Sable 1, Jan. 29, Feb. 12; Skipper, Feb. 5, Feb. 19—both Farquhar SS.

To BERMUDA, ST. KITTS, ANTIGUA, MONTSEERRAT, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Teviot, Jan. 29; Chaudiere, Feb. 12—both R.M.S.P. Co.

To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Forester, C.G.M.M., Feb. 5.

To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Runner, Feb. 5; Canadian Volunteer, Feb. 19—both C.G.M.M.

To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, Jan. 27.

To SANTIAGO, KINGSTON AND MONTEGO.—Andalusia, Pickford & Black, Feb. 10.

To AUSTRALIAN PORTS.—Canadian Cruiser, C.G.M.M., Jan. 30.

To NEW ZEALAND PORTS.—Canadian Challenger, Jan. 25; Canadian Miller Feb. 25—both C.G.M.M.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

H. R. Poussette. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

James Cormack. Address for letters—P.O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300. Office—Laidlaw Building, Szechuen and Nanking Roads, Shanghai. *Cable Address, Cancomac.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Raboisen 8, Hamburg 1. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czecho-Slovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watermill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230; office, Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancomac.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P. O. Box 683; Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

Straits Settlements

A. B. Muddiman, P.O. Box 121, Singapore. (Territory covers Straits Settlements, British Borneo, Netherlands East Indies, and Siam.) *Cable Address, Canadian.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia). *Cable Address, Sleighing, London.*

J. Forsyth Smith, Century Bldgs., 31 North John street, Liverpool. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales). *Cable Address, Cantracom.*

Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands). *Cable Address, Canadian.*

Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadiana Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, January 30, 1926

No. 1148

TABLE OF CONTENTS

	Page		Page
Trade Commissioner E. L. McColl's intended Visit to Peru	129	Exports from Canada to the United States of Principal Commodities Produced on Canadian Farms or manufactured directly from such Farm Products, during the Month and Three Months ended December, 1920, 1921, 1924 and 1925, with United States Tariff Rates in force . . .	150
North of England Timber Trade	129	The Market for Wood Pulp in Argentina . .	152
North of England Commodity Markets . . .	132	New Pacific Coast-East Coast South America Shipping Service	153
Business Conditions in the Irish Free State	134	Importance of Trade Marks in China . . .	154
Trade of Ulster—Part I	135	Tariff Changes and Customs Regulations: Safeguarding of Industries Duties in United Kingdom	156
Catalogues for the Dublin Office	139	New Zealand Customs Regulations	156
Trade Depression in Germany	139	Foreign Exchange Quotation for Week ending January 25, 1926	157
External Trade of South Africa during—1924—Part IX	143	Trade Inquiries for Canadian Products . .	157
Commercial Notes from New South Wales: Record Australian Sugar Crop Expected . .	148	Proposed Sailings from Canadian Ports . .	158
Australian Butter Production	148	Commercial Intelligence Service	160
Australian Wheat Harvest	148		
Motor Show at Sydney	148		
Sydney Wool Sales	149		
Decline in Australian Gold Yield	149		
Memorandum to Importers and Shippers of Nursery Stock from Countries other than the United States	149		

TRADE COMMISSIONER E. L. MCCOLL'S INTENDED VISIT TO PERU

Mr. E. L. McColl, Canadian Trade Commissioner, Buenos Aires, is expected to arrive in Lima, Peru, on March 1, 1926 on a special trade mission to that country. His journey is being undertaken for the purpose of investigating the possibilities for increasing Canadian-Peruvian trade. Canadian exporters who are desirous of initiating trade with Peru, extending present trade relations, or obtaining special information on this market should address Mr. McColl in care of the British Legation, Lima, Peru, forwarding full particulars, including best prices, c.i.f. Lima if possible, terms, time required to fill and ship orders, amounts available for export, etc. In addition latest catalogues could be forwarded.

NORTH OF ENGLAND TIMBER TRADE

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, January 8, 1926.—Four large ports compete for the timber import requirements of Northern England—namely, Liverpool, Manchester, Hull and Newcastle. Liverpool does the largest share of the trade and in view of its position on the West Coast has always maintained a very close connection with Canadian timber exporters. Similarly, Newcastle and Hull are very advantageously situated for carrying on trade with the Northern European timber countries. Since the opening of the Manchester Ship Canal Manchester has become an important distributing point for the large industrial district in which it is located. The following is a brief review of the past year's timber trade conditions in the Liverpool area.



During 1925 the demand for timber has not been satisfactory and in spite of the good start secured during the first four months of the year, a slump set in from the beginning of May which lasted until the end of September, with a consequent effect on the volume of business. This depression is attributed largely to the unsatisfactory conditions prevailing in the major industries of this country. One of the bright spots has been the continued activity of the building trades, which has helped to maintain the demand for certain classes of wood, notably spruce for flooring and joinery stocks, and for furniture hardwoods, etc.

One of the most serious factors effecting this market has been the methods adopted this year by Russia in exporting her wood products. In order to obtain capital, Russia has been shipping timber out of the country at sacrifice prices and other competing countries including Sweden and Finland have found themselves undercut by a seller whose need of cash outweighs every other consideration. This Russian problem has distributed trading conditions, and for the new year English importers are nervous about placing large orders, until they have some idea of what prices can be expected from Russia, which will not be known until June or July when the White Sea opens. This condition has particularly affected sales of Canadian spruce.

The following table indicates the imports, consumption and stock of certain timbers to the port of Liverpool, for the year 1925 in comparison with 1924 and 1923.

	Import From January 1 to December 31			Consumption From January 1 to December 31			Stock December 31		
	1923	1924	1925	1923	1924	1925	1923	1924	1925
British Columbia and Oregon pine.. cu. ft.	402,000	581,000	533,000	396,000	444,000	550,000	96,000	233,000	216,000
Birch logs..... "	63,000	87,000	168,000	69,000	89,000	128,000	12,000	10,000	50,000
Birch planks..... "	281,000	449,000	466,000	343,000	376,000	429,000	43,000	157,000	194,000
Quebec yellow pine deals..... Stds.	6,540	5,430	5,740	6,160	4,800	5,100	4,600	5,230	5,870
Quebec red deals..... "	1,600	1,350	1,530	1,700	930	1,240	900	1,320	1,600
Quebec spruce deals..... "	4,260	2,200	1,810	3,810	3,110	1,340	3,000	2,090	2,560
N.B. and N.S. spruce and pine..... "	18,590	19,400	19,620	20,190	17,900	20,190	3,970	5,470	4,900

This past year generally has been a very trying one for all sections of the softwood trade. At the same time, the imports of New Brunswick and Nova Scotia spruce to Liverpool during the period January 1 to December 31, 1925, have been equal to 1924 and in excess of 1923. During 1925, 19,620 standards were imported as against 19,400 for 1924 and 18,590 for 1923. Consumption has exceeded last year's figures by 2,290 standards, and stocks on December 31, 1925, stood at 4,900 standards as against 5,470 at the close of 1924. This stock at the commencement of the year was about normal and Halifax deals and battens were then being dealt in at around £15 5s. per standard c.i.f. and £14 5s. for scantling sizes. With light arrivals during the early part of the year prices for this material went to around £15 10s., but heavier consignments in March forced the market downward, and in May sales of spruce were made as low as £13, c.i.f. for deals, and £12 for scantlings. The better class stock of Mirimachi and district met with unexpected competition from Russia at prices which had never before been on the same level as those of Canadian deals. The main attraction to buyers of Canadian spruce has been the predominance of scantling sizes which have not been so readily obtainable from other countries.

The stock of birch logs at the commencement of the year was light at 10,000 cubic feet and fairly heavy sales were made in St. John timber at around 3s. per cube, c.i.f., for 14 in. average, and Quebec waney brought in the neighbourhood of 4s. 6d. Continued heavy shipments of St. John stock, during March and

April, effected prices which fell to around 2s. 3d. Quebec logs later on in the year met with the same market conditions, and by the end of May quotations for this variety were from 3s. 3d. to 3s. 6d. for 16 in. average. Shipments fell off during the latter end of the year but stocks of birch logs on December 31, 1925, stood at 50,000 cubic feet as against 10,000 cubic feet at the beginning of the year. The opening quotations of St. John birch planks were around £18 per standard c.i.f. and prices were gradually reduced and reached £15 during August. Liner shipments from this period onwards tended to improve and prices at the end of the year averaged from £16 10s. to \$16 15s. Quebec grades were not on the market in quantity till May, and opening prices were at about £24 per standard c.i.f. Forward contracts for this variety have been difficult and the last direct shipments of this stock which arrived in December brought from £22 10s. to £23.

Douglas fir and Oregon pine prices have eased in sympathy with other woods during the past year. At the beginning of 1925 British Columbian Douglas fir No. 2 clear, and better, sold at around £25 per standard c.i.f. and sales at the close were reported in the neighbourhood of £22. This grade of Douglas fir lumber in sizes 2 inches to 6 inches thick, by 10 inches and up wide, by 16 to 32 feet long has sold extensively and is becoming very popular for use in high-class joinery work, etc., as it has been more competitive than other woods. Canadian Douglas fir merchantable grade has also been imported in considerable quantity at from £17 10s. to £15 10s. per standard, depending on specifications. This grade has been growing in favour for all classes of ordinary building work. Douglas fir has also been in demand this year for use as railway ties in the merchantable grade and it is reported that several large contracts for this type were placed in December for 1926 delivery, in competition with Baltic red wood which in the past has been the popular wood for this purpose. Imports of Douglas fir and Oregon pine into Liverpool during 1925 amounted to 533,000 cubic feet as compared with 581,000 for 1924. Consumption was 106,000 cubic feet in excess of last year and stocks on hand on December 31 amounted to 216,000 cubic feet as compared with 233,000 at the beginning of the year.

The past year has been a satisfactory one for the majority of plywood importers. The material consumed has been greater than 1924, and prices on the whole, firm. In this trade the demand for alderwood has increased considerably, and supplies have chiefly been coming from Russia and Finland. Finnish birch and Oregon pine plywood have also been doing a very fair trade. The latter has been reduced somewhat to bring quotations in line with supplies from Northern Europe and recent prices quoted for Oregon pine have been as follows:—

A grade— $\frac{3}{4}$ in. by 33 in. to 36 in. by 72 in. to 84 in. at 26s. 8d. c.i.f. per 100 square feet.

A grade— $\frac{1}{2}$ in. thick by 18 in. to 28 in. by 78 in. to 84 in. at 21s. 8d.

A grade— $\frac{1}{4}$ in. thick by 30 in. to 36 in. by 84 in. to 86 in. at 25s. 10d.

B grade— $\frac{1}{4}$ in. thick by 18 in. to 28 in. by 60 in. to 84 in. at 19s.

The demand for plywood is growing rapidly in this country for use in interior decorating, motor cars, and a great number of varied industries.

This office is continually being approached by importers in the Northern section of England wishing to secure connections with reputable Canadian shippers in all of the above mentioned products. In many cases, firms who already have established contact with birch shippers wish to get in touch with Douglas fir exporters and vice versa. Several inquiries recently have been received for such specialties as hard and softwood flooring, plywood, etc. Any Canadian firms who are anxious to secure connections with importers in Liverpool, Manchester, Newcastle or Hull, are invited to communicate with this office.

NORTH OF ENGLAND COMMODITY MARKETS

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, January 8, 1926.—*Grain and Flour*.—As a result of active trading during the early part of December, the aggregate business transacted in wheat exceeded that of the previous month. The total trade in c.i.f. parcels was satisfactory with Liverpool doing 32 per cent as compared with London, 49 per cent, and Hull and Manchester combined, 16 per cent. Canadian wheat continues to dominate the market and although trading was quieter on the last day of the year, quotations for No. 1 Northern Manitoba afloat stood at 62s. 9d. per quarter c.i.f. During the earlier part of the month the outlook for home-grown wheat was bullish but later bad weather conditions and cheap offers of German wheat restricted demand.

The sales of flour have been slow recently. The large baking companies have been in the market but the smaller concerns have purchased on a restricted basis. Sales of imported flour have been particularly quiet with Canadian quotations generally above the markets. One important flour firm interviewed stated that home millers have lately been turning out approximately 60 per cent of their product from Canadian spring wheat, with the result that the bakers have been demanding more soft Australian flour for blending purposes. Canadian export patents closed the year at around 48s. 9d. c.i.f. for early shipment. During the early part of December, Australian flour was being offered at as high as 48s. c.i.f., but closing quotations on spot were slightly lower. Home milled straight run flour closed at around 47s. 6d. to 48s.

The preliminary figures showing the imports of grain and flour to this area for the month of December, 1925, are as follows:—

	Wheat	Flour	Maize	Barley	Oats
	Quarters	Sacks	Quarters	Quarters	Quarters
Liverpool	573,457	17,149	208,437	12,648	14,227
Hull	406,475	5,268	78,754	86,928	24,162
Manchester	264,884	4,241	22,280	4,565	3,970

Butter.—Following the break in the market during November, prices for all descriptions of butter continued to decline last month. Owing to disorganized marketing conditions, caused originally by the overseas shipping strike, the retail price for several grades of butter went beyond 2s. with the result that by late November and early December public consumption fell off, and large sales of margarine were made by the multiple shops to their cheaper class trade. The German demand for Danish butter also slumped during this period with the result that Danish prices on this market were affected. Added to these conditions, heavy arrivals of New Zealand and Australian butter have still further lowered prices. Stocks at Liverpool on December 31 were estimated at 4,200 cwt. as compared with 1,384 for December 31, 1924.

Canadian butter, except for balances in store, has now finished for the season, and quotations are nominal. Fairly large shipments of Argentine butter arrived during December, and were taken up for the cheaper trade to retail at 1s. 6d. At the end of the month New Zealand offers were at from 176s. to 180s. per cwt; Danish choicest 180s. to 184s.; Australian 168s. to 170s.; Argentine 152s. to 156s., and Siberian 148s. to 152s.

Cheese.—Although there was a fair demand just prior to the Christmas holiday, cheese sales generally during December were slow, and consumption only fair. There are fairly good supplies of Canadian late makes—October, November—available, but prices for this class have been at a considerable discount. Canadian finest white and coloured ready for cutting, chiefly of September quality, brought from 109s. to 111s. before the holiday, and finished the year at around 108s. The early makes of New Zealand cheese are now arriving on this

market, and it is reported that this cheese has been somewhat new and "open". Prices for recent arrivals have been from 96s. to 100s. landed terms. It is estimated that the quantity of New Zealand cheese afloat to arrive before the end of January equals two months normal supply.

Bacon.—The bacon market finished the year with prices considerably higher than at the end of 1924. Shipments from the United States have shown a serious falling off and there has been a marked expansion in Canadian exports. Denmark shipped less freely than in 1924, and the total arrivals from all countries have been smaller than during the two previous years. Canadian Wiltshire cuts, 50 to 80 pound average at the end of the month were at from 112s. to 117s. per cwt.; American Cumberlands 24 to 32 pound average 104s. to 107s. American clear bellies 14 to 20 pound average 106s. to 110s., and Danish 126s. to 130s.

The following are unofficial estimates of the stocks of provisions in the Port of Liverpool on December 31, 1925, in comparison with November 30, 1925, and December 31, 1924:—

	Dec. 31, 1925	Nov. 30, 1925	Dec. 31, 1924
Bacon	Boxes 5,203	1,584	9,145
Hams	Boxes 1,097	1,365	3,158
Shoulders	Boxes 439	88	713
Butter (all countries)	Cwts. 4,200	4,816	1,384
Cheese (full shapes), Canadian and United States	Boxes 28,204	33,263	27,136
Cheese (full shapes), Australian and New Zealand	Crates 145	60	144
Cheese (full shapes), 50 pounds and under	Boxes 35	107	13
Cheese (manufactured)	Pounds 10,735	38,150	....
Lard (prime steam western)	Tierces 476	485	1,408
Lard (imported pure refined lard) in tierces, firkins, or other packages	Tons 1,748	3,329	2,628

Eggs.—The market has been quiet for all classes of eggs during December, and efforts to clear cold stored Irish eggs and other middle priced varieties have resulted in lower prices. Prices for fresh Irish eggs fell from the high level of late November to from 26s. to 27s. 6d. landed terms. Egyptian eggs, which came in at higher prices, are now being sold at a loss by importers. Argentine and Uruguayan supplies have sold at from 14s. to 15s. 6d. and a large volume of South African eggs, which arrived fruit-tainted in steamer have been disposed of at sacrifice figures. Considerable arrivals of Chinese eggs have been selling at 12s. to 12s. 6d. for 14 pound varieties. Canadian, American, Russian and Australian eggs are now about finished for the season with no further arrivals expected.

Hay.—Over 14,700 bales of Canadian hay arrived at Liverpool during the month. Average c.i.f. prices have been in the neighbourhood of 97s. 6d. per long ton. Owing to the recent cold weather, consumption in the Northern districts has been very fair, but in the opinion of one important dealer lower prices are likely, if the present milder temperature continues. The dealer in question has been purchasing South of England hay for milk cattle feed during recent weeks. Canadian hay coming to Liverpool is mainly used for horse feeding.

Cattle.—During December 1,554 stores and 963 fat cattle were landed at Birkenhead from Canada. Recent average prices for native Canadian were from 9½d. to 10d. per pound, sinking to offal, and Westerns averaged from 8½d. to 9d. Some 1,990 head of cattle arrived at Manchester during the month. Prices have been from 9d. to 10½d. per pound. The foreign animals wharf of the Manchester Ship Canal Company reports that over 75 per cent of the cattle arriving at that port during recent weeks have been cows and heifers with a very high percentage "in calf", with consequent wastage. It is also reported that quality is not all that is to be desired, the older animals shipped producing a low class meat that tends to become a drug on the market.

The Ministry of Agriculture and Fisheries announce that as from January 14 the standstill order for cattle which has been in existence from November 17

last, will be withdrawn. It is also stated that on and from January 10 the Port of Manchester will cease to be part of an infected district. The effect of this is that Canadian store cattle can now be sent to any inland districts free from foot and mouth disease for fattening.

During the month of December the Liverpool Customs Bill of Entry has indicated arrivals of certain commodities from Canada and the United States, the following list of which should be of suggestive interest to Canadian exporters:—

Canadian.—Soapstone, woollen rags, clover seed, oil heaters, rubber footwear, plywood, electric ranges and lanterns.

United States.—Woollen rags, battery separators, frozen fish, telephone material, clover and timothy seed, honey, office furniture, electric toasters, roofing felt, fireclay, and 14,785 barrels of oysters.

BUSINESS CONDITIONS IN THE IRISH FREE STATE

ACTING TRADE COMMISSIONER A. F. MACEachern

Dublin, December 31, 1925.—As a result of the settlement of the question of the boundary between the Irish Free State and Northern Ireland, involving, as it did, the cancellation of the substantial financial obligations included in the Treaty between the Irish Free State and Great Britain, the Free State will start the New Year in the happy position of being the one country in Europe without a war debt. It is confidently expected that the amicable settlement of this question will do a great deal to foster a spirit of amity between the North and the South, and to further confidence in business undertakings, the lack of which had, during the past few years, driven Irish capital to seek investment opportunities in foreign lands.

The constant upheavals of recent years, and the omnipresent uncertainty of what the morrow might bring, served to shatter the confidence of the investor, and to permit the loss of supremacy of Irish agricultural and dairy products in the logical market for Free State production, Great Britain. Exports have dwindled at a steady and, in some particulars, at an alarming rate, and imports during the past year have registered a steady decline.

Now, however, the consensus of opinion is that a new era of prosperity for the Irish Free State will be ushered in with the coming New Year. With a view to regaining the country's supremacy in British markets, the Government has been devoting particular attention to legislation which will facilitate achievement of this objective. Government supervision is to regulate the export of butter and eggs and the question of improving the transportation facilities for cattle, which now, in a large measure, render difficult competition with other sources of supply, is receiving the attention of the authorities.

The new beet sugar factory in Carlow is expected to be operating in October next, and work on the Shannon river hydro-electric scheme, the estimated cost of which is placed at £5,200,000, is now proceeding, and the outlook for amity—if not for actual unity—between Northern Ireland and the Free State, has never been so bright. The number of registered unemployed is now 31,000 as against 49,000 at the beginning of 1924, but these would scarcely represent the actual disoccupational figures, as a great number of people who are out of work do not register at the Labour Exchanges. In addition to continued unemployment, considerable distress is now in evidence throughout the country due to the loss of live stock, and a supplementary estimate of £120,000 has been authorized towards alleviation of the conditions of the people affected.

Reconstruction is proceeding on the Dublin Four Courts, General Post Office, Customs House, and on the O'Connell Street premises which were demolished during the disturbances, and in the improvement of roads, in which large numbers of men are engaged, it is estimated that £970,000 will have been spent at the conclusion of the present year.

THE TRADE OF ULSTER

TRADE COMMISSIONER G. B. JOHNSON

I

Glasgow, December 17, 1925.—The agreement reached a few days ago between the three Governments of Great Britain, the Irish Free State and Northern Ireland regarding the boundary between Ulster and the Free State, which appears at this time to be certain of ratification by the Parliaments concerned, gives occasion for hope that this vexatious question is definitely relegated to history, and that trade in Ireland will no longer be retarded by the uncertainty springing from it.

Northern Ireland, while now possessing a local Government of its own, is still of course a part of the United Kingdom with representatives in the London Houses of Parliament. Trade returns from this area, therefore, are included among those published for the whole of the Kingdom and consequently, as in the case of Scotland, there is no way of disentangling the figures for Ulster from the aggregate for the whole country. Through the courtesy of the Ministry of Commerce of Northern Ireland, however, this office has been specially furnished with trade figures for the complete year 1924, which show the direct foreign and total trade of Northern Ireland (exclusive of trade with the Irish Free State). It is necessary to point out that the values shown are estimates only except in the case of direct imports and exports, for which the figures are supplied by the Customs.

It is always necessary to remember that the bulk, or at least a very large proportion, of the overseas trade of Ulster is done indirectly through brokers and merchants in Great Britain, and the balance directly with overseas countries. No one knows what the proportion is, because the origin in the case of imports from Great Britain, and the final destination in the case of exports to Great Britain are lost. The proportion that Great Britain herself produces in the case of Ulster imports, and consumes, in the case of exports, is unknown.

The total direct imports into Ulster from 38 countries, exclusive of Great Britain and the Free State, amounted in 1924 to £14,211,000. Of this amount Canada accounted for £1,119,000 or nearly 8 per cent, and was fourth in the order of importance, Belgium leading with £2,813,000, Argentina second with £2,214,000, the United States third with £2,180,000 and Holland fifth with £975,000. In *per capita* exports to Ulster direct Canada occupies third place among all countries.

The total direct exports to 21 countries from Ulster, exclusive of Great Britain and the Free State, amounted in 1924 to £2,726,000. In this list Canada occupied thirteenth place, with the minute total of £1,200.

The total imports into Ulster for the same year (estimated values, and exclusive of trade with the Free State) amounted to £58,910,000. Deducting the direct imports shown above, it will be seen that £44,699,000 worth of goods were shipped to Ulster from Great Britain some unknown part of which was produced in that country and the balance elsewhere.

The total exports to all countries for that year (estimated values, and exclusive of trade with the Free State) amounted to £57,801,000. Deducting the direct exports shown above, it will be seen that £55,075,000 worth of goods were shipped to Great Britain, some unknown part of which was put into use in that country and the balance re-exported to other destinations.

From these figures it will be seen that the two sides of Ulster's exterior trade very nearly balance. Furthermore, the direct imports into the country are more than five times as great as the direct exports, and this is natural because a large

part of the imports are bulky commodities, and it by no means follows that the exports to countries other than Great Britain are smaller than the imports from those countries, as the great bulk of them are re-exported from the latter country.

PRINCIPAL COMMODITIES IN ULSTER'S EXTERNAL TRADE

The estimated values of the principal commodities imported into Northern Ireland during 1924 from all parts, exclusive of the Irish Free State, were as follows:—

Commodity.	Value
Cotton goods.. . . .	£ 6,960,000
Maize.. . . .	3,377,000
Flax.. . . .	2,837,000
Coal.. . . .	2,441,000
Wheat flour.. . . .	2,025,000
Machinery.. . . .	1,904,000
Woollen goods.. . . .	1,451,000
Boots and shoes.. . . .	1,362,000
Linen yarn.. . . .	1,329,000
Motor cars.. . . .	1,166,000
Linen goods.. . . .	1,170,000
Sugar.. . . .	1,145,000
Wheat.. . . .	1,144,000
Tea.. . . .	1,083,000
Tow or codilla.. . . .	1,007,000
Hardware.. . . .	932,000
Steel plates and sheets.. . . .	880,000
Hemp.. . . .	796,000
Confectionery.. . . .	742,000
Butter.. . . .	676,000
All other articles exclusive of livestock.. . . .	24,454,000
Total.. . . .	£58,891,000

The estimated values of the principal commodities exported from Northern Ireland during 1924 to all parts, exclusive of the Free State, were as follows:—

Commodity.	Value
Linen goods.. . . .	£18,413,000
Cotton goods.. . . .	4,715,000
Whisky.. . . .	3,292,000
Eggs.. . . .	2,183,000
Linen yarn.. . . .	1,916,000
Thread.. . . .	1,576,000
Machinery.. . . .	1,471,000
Bacon and hams.. . . .	1,459,000
Potatoes.. . . .	1,025,000
Poultry.. . . .	553,000
Woollen goods.. . . .	475,000
Butter.. . . .	446,000
Grass seed.. . . .	409,000
Yeast.. . . .	392,000
Flax.. . . .	333,000
Apparel.. . . .	327,000
Motor cars.. . . .	287,000
All other articles exclusive of livestock.. . . .	9,295,000
Value of ships built and repair work for owners outside Ulster.. . . .	4,191,000
Livestock.. . . .	4,987,000
Total.. . . .	£57,801,000

Direct Imports

It is in the detailed figures showing direct imports that Canadian firms will be specially interested, as the countries of origin are known. For comparative purposes the total imports are also set down. It should be repeated that the direct imports may be, and often are, only a portion of the imports from any particular country, the other portion being re-exported to Ulster from Great Britain.

GRAIN AND FLOUR

Barley.—Total imports, £124,000; direct imports, £109,000; directly imported from Canada, £96,000, which figures show that the Dominion dominates this trade.

Maize.—Total imports, £3,377,000; direct imports, £3,072,000; directly imported from Argentina, £2,189,000, from Roumania, £424,000, from the United States, £174,000, from South Africa, £149,000, and from Canada practically nil.

Oats.—Total imports, £151,000; direct imports, £82,000; Canada shipped directly £46,000 worth and the United States £36,000.

Malt.—Total imports, £17,000; direct imports, nil. Probably the whole of these imports originate in Great Britain, because the latter country is a large producer and exporter of this product.

Rye.—Total imports, £59,000, all of which came from abroad directly, £50,000 worth being from Canada.

Wheat.—Total imports, £1,144,000; direct imports, £1,131,000. Shipments direct from Australia were of a value of £589,000, from United States, £375,000, from India, £91,000 and from Canada £64,000. The low figure for Canada is evidently accounted for by shipments of Canadian wheat through United States ports, which are entered in the Customs returns as American.

Oat Preparations.—Total imports, £26,000; direct imports the same; from Canada, £14,000 worth and from the United States £11,000.

Wheat Flour.—Total imports, £2,025,000; direct imports, £585,000; of the latter Canada shipped £330,000 worth and the United States £241,000. In the indirect imports Canada doubtless also occupies the leading position, as she does in the whole of the United Kingdom. The entire milling capacity of Ulster can supply about two-thirds of the Province's consumption. There are several mills in Belfast, in Derry and other places, milling mostly winter wheat. A considerable quantity of English-milled flour comes into the country from Liverpool, and a number of the big importers of Glasgow and Liverpool send flour to Belfast. Most of the flour in Ulster is used by wholesale bakers. Home-baking is a comparatively small matter among the industrial population of the north. The largest wholesale distributor bakes 2,400 sacks of 280 pounds each per week. Then there are some large bakeries running, using from 1,200 to 800 sacks per week. The demand in Northern Ireland to-day in connection with Canadian flour is mainly for straight-run Manitoban and for high-grade Manitoban patents. There is some business in Ontario 90 per cent flour for the manufacture of biscuits, which is a flourishing industry in Belfast, but this flour does not as a rule command a good price or sell in any quantity for the reason, so it is stated, that it is irregular in quality.

It has been recently stated by a member of the trade that Derry is a larger consumer of Canadian flour in proportion to population than is Belfast. In the latter city a good deal of home-milled flour is used, of local manufacture and imported from Great Britain, which is true also of Derry, but to a smaller extent.

Oatmeal.—Total imports, £110,000; direct imports, £76,000; Canada shipped directly to Ulster ports £62,000 worth of oatmeal, and the United States £14,000 worth. The Dominion has almost a monopoly of this business for overseas imports.

FEEDING STUFFS

Feeding Cake.—Total imports, £338,000; direct imports, £132,000; the United States exported £111,000 worth of the latter, and Canada £9,000 worth. While no distinction is made between cottonseed cake and linseed cake in these

returns, it is probable that most of the imports are cottonseed cake, but the linseed cake must run it very close. The Dominion appears to have a very limited quantity of linseed cake available for export, and of course no cottonseed cake at all. The inquiries from Northern Ireland for linseed cake and meal, and in fact feedstuffs of all kinds, are numerous and pressing.

Feeding Meal.—Total imports, £349,000; direct imports, £49,000; the United States contributed £41,000 worth to the latter figure and Canada £5,000 worth.

Grain Offals.—Total imports, £28,000; direct imports, £3,000, of which the United States supplied £2,500 worth and Canada £800.

Hay.—Total imports, £11,900; direct imports, £11,900, of which Canada supplied the whole.

MEAT

Bacon and Hams.—Total imports, £375,000; direct imports, £12,000, all of which was sent by the United States.

Preserved Meat.—Total imports, £104,000; direct imports, £7,000, of which £6,000 worth came from the United States, and £1,000 worth came from Australia.

OTHER FOOD

Butter.—Total imports, £676,000; direct imports, £550, of which the whole came from Denmark. Practically the whole of Ulster's butter imports from New Zealand and Denmark are evidently re-exported from British ports.

Cheese.—Total imports, £152,000; direct imports, £93,000, of which Canada shipped £92,000 worth. Thirty years ago the United States occupied a prominent position in Ulster in this trade. A few years ago New Zealand disputed pride of place with Canada, but the New Zealand cheese has apparently fallen from its former position and Canadian cheese has, if not almost a monopoly, a predominant position in the cheese market in Northern Ireland. It has recently been pointed out to the writer by some of the most prominent importers and wholesale produce merchants in Belfast that Canadian cheese, which, on its merits, is preferred above all others, could secure a still better position on the market if each cheese were marked with the month during which it is manufactured. Unscrupulous merchants do not hesitate to sell to retailers cheese which they describe as June or September, which in fact is the product of some other month, charging less than for genuine cheese of those months and so getting more business for inferior cheese. The buyers, unable to detect the fraud owing to the fact that all Canadian cheese arriving on this side is much too green for immediate consumption and the different months' makes less readily distinguishable, sell the cheese to the consumers as the best Canadian, whereas in fact it is second best. The cheese fails, therefore, to achieve the reputation it deserves, and furthermore, the best importers are discouraged from putting forth their best efforts to sell Canadian cheese, knowing that less reputable merchants will undersell them with inferior qualities described as the best. While these points deserve the utmost consideration, it may be said that Canadian cheese is considered in Ulster to be the best in the world when it has reached maturity.

Apples and Pears.—Total imports, £232,000; direct imports, £62,000, of which Belgium supplied £27,000 worth, the United States, £26,000 and Canada, £6,000. From these figures it is evident that very large quantities of these fruits, no doubt mainly apples, are shipped to Belfast from Glasgow and Liverpool, which are grown in Canada and elsewhere.

Preserved Fruit (dutiable).—Total imports, £99,000; direct imports, £37,000, of which the United States supplied £34,000 worth and Canada £1,500

worth. As this item is dutiable it evidently refers to preserved fruits containing sugar. There is great room for expansion in this trade for Canadian packers, but only if American competition is met by similar grading, quality, labelling, and price.

Milk (Preserved or Condensed).—Total imports, £70,000; direct imports, £37,000, of which Holland supplied £23,000 worth and Denmark £12,000 worth.

Sugar.—Total imports, £1,145,000; direct imports, £375,000, of which Holland shipped £297,000 worth, Czecho-Slovakia £61,000 worth, and Germany £10,000 worth. In view of the enormous imports into Great Britain of Canadian refined sugar it seems certain that considerable quantities of Canadian sugar were transhipped at ports in Great Britain for Northern Ireland and are included in the total imports.

Confectionery.—Total imports, £742,000; direct imports, £1,500, of which the United States supplied £1,100 worth.

CATALOGUES FOR DUBLIN OFFICE

Canadian Exporters, interested in markets in The Irish Free State, are requested to forward to this Department addressed to The Director, Commercial Intelligence Service, latest catalogues and samples, where practicable, in order that the library of the Dublin office may be brought up to date. For the sake of convenience these catalogues will be boxed at the Department and forwarded to Dublin.

TRADE DEPRESSION IN GERMANY

TRADE COMMISSIONER L. D. WILGRESS

Hamburg, December 28, 1925.—The current year is drawing to a close with a depression in trade, which is described as one of the worst in the history of German business. The financial stringency has had adverse effects on trade during the past year and a half, but recently conditions have taken a turn for the worse. In the last two or three months there has been a great increase in unemployment and in the number of insolvencies which has occasioned a feeling of pessimism in trade and industrial circles.

The changes now taking place are probably a necessary corollary to the readjustment to new economic conditions, based on the Dawes Plan and the liquidation of the consequences of currency inflation. These changes have coincided with the introduction of the new German tariff. This has led to a certain amount of opposition to the new duties but it is difficult to estimate the extent to which the tariff policy of the Government is responsible for present conditions.

INCREASE IN INSOLVENCIES AND UNEMPLOYMENT

The principal indices of the economic depression in Germany are the figures showing the increases in the number of bankruptcies and in unemployment.

During the month of September the number of bankruptcies amounted to 914. In October this had increased to 1,164 and in November to 1,343. In addition the number of concerns, who sought the refuge of official receivership, increased from 459 in September to 633 in October and to a further 967 in November. Whereas since the stabilization of the currency the insolvencies have been chiefly confined to firms of mushroom growth, the movement is now affecting concerns of old standing and in many instances has involved the closing down of entire enterprises.

The official figures of unemployed in receipt of support show the rather alarming increase of from 298,872 on October 15 to 669,130 on December 1, while the official figure for November, 1924, was 436,607.

The *Deutsche Allgemeine Zeitung* in commenting on these figures points out that in order to estimate the actual number out of work, it is necessary to increase these figures by 50 per cent, as the requirements for receiving support are stricter in Germany than in Great Britain. On this basis the newspaper places the present unemployment in Germany at over a million and adds that the number of workers on short time is greater than in Great Britain.

The Trade Unions report that of their 3,230,000 members 10.5 per cent were unemployed in November and a further 16 per cent were working on short time. It is pointed out that nearly all trades were affected by the increase in unemployment. In the tobacco industry the percentage of unemployed members was 13.7; in the wood industry, 11.7; in the metal industry, 8.6; in the glass industry, 5.2; and in the textile industry, 3.8 per cent.

Although a part of the recent increase in unemployment may be ascribed to seasonal influences, reports from the different industries show in many cases large reductions in working staffs, which are an indication of an acute depression in trade. Thus Krupps have reduced the number of their employees from 35,000 to 29,000 and further dismissals are expected to bring the total reduction of staff up to nearly 10,000.

CAUSES OF DEPRESSION

The chief causes of the present depression are stated to be the reduced purchasing power of the population; the financial stringency resulting in high interest rates; the slow development of export trade; and the heavy burden of taxation.

It has been estimated that in 1913 the annual national income of Germany with a total population of 65,000,000 amounted to 40,000,000,000 marks* or average dailing earnings of 2 marks per head, whereas for 1924 with the population of 60,000,000 the national income has been computed at 30,000,000,000 marks, which gives an average daily earning of 1.30 marks per head.

The present situation is demonstrating that the productive capacity of German industry is greatly in excess of visible outlets. The absorbing capacity of the home market is restricted not only by low wages, but also by the maintenance of domestic prices at a high level. The Government have been endeavouring since the summer to effect a reduction in the cost of living, but so far with only moderate success. The index number of wholesale prices, which on September 9 was 127.6, showed a gradual decline until in the middle of November it stood at 119.9. There has since been a slight increase, the index number for December 9 being 122.5. The cost of living index was reduced from 145 in August to 141.4 in November.

There is still a tendency for wages to slowly increase. In October the average weekly tariff wage was 45.04 Reichsmarks for skilled workers and 33.24 Reichsmarks for unskilled workers. With the development of the present depression the actual wages paid have tended to correspond more closely to the tariff scale of pay.

RESTRICTED HOME MARKET

The present economic crisis may be said to be partly a result of the policy which has been consistently followed by Germany since the war. This policy has been to encourage the export of manufactured goods by all possible means, combined with the fullest degree of protection for industry in the home market. Up to the present year this found expression in the system of import prohibitions,

* 1 mark = \$0.233.

which has now been displaced by the new tariff affording high protective duties to many lines. In order to render German industry competitive in export trade every effort has been made to maintain wages at a low level and this has been partly responsible for the continued control of rents and the provision of certain staple food products to the working classes at reduced prices.

The absolute protection enjoyed in the home market has encouraged certain industries to maintain domestic prices at a high level in order to quote low prices for export. The lack of foreign competition in the home market has also frequently resulted in too little attention being paid to the reduction of overhead costs and to the introduction of mass production methods. It is now beginning to be realized that the policy outlined has resulted in greatly reducing the absorbing capacity of the home market by helping to maintain domestic prices at a high level while the average income of the population is comparatively limited due to the low scale of wages.

FINANCIAL STRINGENCY

The main contributory cause to the present economic depression and to the high level of domestic prices is undoubtedly the financial stringency which has prevailed in Germany since the spring of 1924. Although interest rates have been greatly reduced as compared with a year ago the rate for daily money in November was from 8 to 10 per cent per annum and for long-term credits around 15 per cent. One result of the prevailing depression in trade has been to free a considerable part of the liquid capital of the country and the rate for daily money has fallen to 7 to 8 per cent.

On the other hand the feature of the present situation is the inability of German firms to meet their obligations promptly. The amount of bills of exchange in circulation is very great and as the banks no longer readily discount bills firms are obliged to carry their customers' obligations until they are due for payment. In this way few concerns in Germany have any ready cash and the difficulties of transacting business are correspondingly great. It is reported that over 5,000 bills of exchange are protested every week. One large firm informed the writer that their losses, which are normally less than 1 per cent of their turnover, have exceeded 4 per cent in the last few months.

A considerable amount of foreign credits have been secured by German firms and it is estimated that in the year ending last October Germany borrowed \$450,000,000 abroad. These foreign credits have materially assisted in easing the financial stringency, but being chiefly available to industrial concerns they have served to give a temporary impetus to production without any corresponding increase in purchasing power. Thus it is that at present the large accumulations of surplus stocks in the various branches of trade are in the hands of manufacturers rather than merchants, as the latter are shorter of working capital than the industrial firms.

DEVELOPMENT OF EXPORT TRADE

The German export trade shows a tendency to gradually increase, but this has not been sufficient to compensate for the reduced absorbing capacity of the home market. The total value of the exports of manufactured goods in each of the last three months has exceeded the average monthly value for 1913. The following table gives the total value of the total exports and of the exports of manufactured goods only for each of the eleven months of the year and illustrates the slow development of export trade:—

	Total Exports Million Reichsmarks	Exports of Manufactured Goods Million Reichsmarks
Monthly average, 1913..	849.9	564.9
Monthly average, 1924..	547.2	432.6
January, 1925..	697.4	515.9
February, 1925..	631.4	480.8
March, 1925..	711.7	533.0
April, 1925..	672.4	511.4
May, 1925..	732.2	549.1
June, 1925..	687.7	530.1
July, 1925..	746.5	568.2
August, 1925..	727.5	552.7
September, 1925..	780.2	602.5
October, 1925..	851.4	646.3
November, 1925..	796.9	571.3

The most unsatisfactory feature of the German trade statistics is the large unfavourable balance of trade, which will probably exceed \$1,100,000,000 for the current year. Owing to a considerable falling off in the value of imports the unfavourable balance of trade for November amounted to only 97,357,000 Reichsmarks, which is less than for any previous month of this year, and it may be expected that before long the German statistics will commence to show favourable monthly trade balances.

BURDEN OF TAXATION

Complaints against the hampering effect on trade and industry of the present heavy burden of taxation are heard on all sides and lately, with the development of the present crisis, there has arisen a persistent clamour for economy on the part of public bodies, particularly the municipalities. The Federation of German Industries in a recent review of the situation claims that the public expenditure of the Reich, the Federal States and the municipalities might easily be reduced by 20 per cent under a more efficient system of administration.

The German Budget for the financial year 1925-26 balances with revenue and expenditure at 7,419,000,000 marks. On the revenue side 4,874,000,000 marks are derived from taxation of incomes, sales and transport, and 2,066,000,000 marks from Customs and Excise. On the side of expenditure the sum of 2,337,000,000 marks is allocated to the Federal States, municipalities and communes, as their share of the general receipts, the expenditure of which is uncontrolled by the Central Government.

It is the expenditure by the last mentioned bodies which is leading to the greatest amount of criticism. There is no doubt that instead of practising the strictest economy many of these bodies have been using their newly-found affluence to embark on works of an unproductive character, which could easily be postponed for more favourable conditions.

SUMMARY OF PRESENT CRISIS

The solution of the present trade troubles in Germany would appear to be a reduction of prices. It is difficult to foresee how this is to be brought about with the prevailing heavy overhead costs, which result from the high rates of interests. One result of the depression in trade, however, should be to eliminate many commercial firms and in this way rectify the over-organization of German business, which has characterized the post-war period.

The industrial concerns are seeking to combat the trade depression by a process, known as "rationalization." This is a tendency towards vertical combination, of which there have lately been a number of instances in the chemical, dye, steel, machine and cement industries. The fusion of large concerns is sought in order to reduce overhead administrative charges and to eliminate unproductive units.

A revival of trade in Germany is not anticipated before next spring and any improvement, which will then take place, is expected to arise from the gradual increase in exports rather than from a revival of domestic trade.

EXTERNAL TRADE OF SOUTH AFRICA DURING 1924

TRADE COMMISSIONER G. R. STEVENS

IX

Imports of Machinery and Tools—Continued

[Imports and exports of South Africa were discussed in general terms in the first instalment of this report, which was published in No. 1130; Foodstuffs Imports in Nos. 1131 and 1132; Textiles and Clothing in Nos. 1133 and 1134; and the first, second, and third parts of Machinery and Tools in Nos. 1143, 1144, and 1147. Further instalments of this report, which deals with the import trade of South Africa in the light of the recent revision of the tariff, will be published in later issues.]

FENCING—GENERAL

The first essential of the South African agriculturist is vermin-proof boundaries, as otherwise the small fauna of the veldt make short work of crops and flocks. This rigorous necessity for excellent fencing is no small charge upon farmers in a country without wood and without an iron and steel industry. On this account the South African Land Bank has made a special feature of fencing loans on exceptional terms. Under such loans a definite quality of fencing is compulsory. As a result, an excellent market exists in South Africa for certain types of fencing but for little other.

FENCING—STANDARDS, DROPPERS AND POSTS

	1924		1923	
	Centals	£	Centals	£
Belgium.. . . .	553,417	207,028	319,167	132,214
All suppliers.. . . .	578,995	222,577	332,140	140,413

No one has ever seriously competed with Belgium in the supply of droppers, standards and fence posts. The reason for this is because Belgian posts and droppers are rolled out of scrap, and consequently can be offered at a price which other countries cannot equal. During the last few years, the average c.i.f. cost of Belgian standards has been between £7 (\$34) and £8 (\$38.80) per ton of two thousand pounds, and this price has not been approached by any competitor.

The present Belgian strike has depleted South Africa of fencing standards, and at present a little business is going forward to Canada at a price much above the Belgian quotations. On the other hand there would appear to be distinct possibilities of this trade being permanent. Fencing standards are sold by the ton, and the Canadian post which is rolled out of steel and shaped for strength, is approximately 50 per cent lighter per foot than the Belgian standards. This of course reduces the price disability of the Canadian standards. If the initial inertia of the farming community can be overcome, and the new fencing practice, which the Canadian equipment necessitates, can be popularized, a share of this business will probably accrue to Canada in the near future. Efforts are being made at the moment to secure the Government endorsement of Canadian standards.

FENCING—BARBED

	1924		1923	
	Centals	£	Centals	£
Great Britain.. . . .	73,309	77,222	54,703	62,313
Germany.. . . .	265,859	202,624	153,198	125,221
United States.. . . .	119,577	102,952	122,660	109,772
All suppliers.. . . .	474,373	393,547	366,318	328,451

The business in barbed fencing and barbed wire grows each year. It is a non-dutiable product and its importation is encouraged by the Government for the use of such farmers as cannot afford jackal-proof or vermin-proof fencing. The farmer who can be persuaded to build first fence of barbed wire usually

demands more effective fencing a few years later. In addition, as previously noted, barbed wire is a constituent of the approved types of vermin-proof fencing.

A large German business in this line has been carefully developed, through the establishment of certain marks which the farming community recognize and appreciate. The factors in establishing these marks have been excellent service and low price. The United States continue to hold the better type of trade, and those American exporters whose lines are popularized can obtain at all times a premium over German prices for their wire. Great Britain is in the same position with a few marks whose proven quality retains the field.

FENCING—PLAIN

Fencing—Plain	1924		1923	
	Centals	£	Centals	£
Great Britain.. . . .	85,220	75,204	51,781	50,385
Germany.. . . .	171,824	95,039	61,102	43,338
United States.. . . .	12,240	10,453	23,368	18,021
All suppliers.. . . .	281,348	189,264	159,365	129,604
Fencing—Netting				
Great Britain.. . . .	127,422	173,502	144,450	224,023
Germany.. . . .	151,572	136,306	53,839	64,678
All suppliers.. . . .	281,471	313,032	198,787	289,441

These imports cover the supplies, barring barbed wire, which are used in the construction of Government approved, vermin-proof fencing. The standard fence approved by the South African Department of Agriculture consists of standards twenty yards apart with four droppers between, and corner posts every 480 yards. The weight of the standard must be fourteen pounds, when posts are from five to fourteen feet apart, and eighteen pounds when fifteen to twenty feet apart. There are three stringers of No. 8 gauge plain wire as a base and upon this base is strung No. 15 gauge wire netting with a three-inch mesh. This netting is four feet in height on outer fences, and above the netting is strung two lines of barbed wire. This standard fence is sometimes reinforced by inner fences constructed in the same manner, but with a three-foot netting only; in this latter instance, four lines of barbed wire are strung above the netting.

As the statistics show, Germany is the great supplier of fencing wire and netting, owing to the price advantage which she enjoys. The growth of German business has been very rapid during the past few years, and it is probable that nation will continue to hold the trade, since the expense of fencing does not permit farmers to use the best class of materials. With regard to netting, however, the local manufacturers may be expected to cut into the market, particularly if any protection is granted.

It should be noted that chicken netting is included in these statistics and that Great Britain supplies a very large proportion of this demand through one or two famous manufacturers. There is also included a moderate amount of coarse mesh netting for the mines, but as this commodity is extensively manufactured in South Africa, it is improbable that this particular trade will be of much importance in the future.

ELECTRICAL MATERIAL

	1924	1923
	£	£
Great Britain.. . . .	324,443	343,541
All suppliers.. . . .	359,630	360,172

Wires and Cables.—These statistics only show importations on industrial account, since South African telephones and telegraphs are Government owned. The total annual South African requirements of electrical wire and cables are probably three times the value shown.

The Cable Makers' Association of Great Britain control this large trade. This is not a selling, but a price-fixing combine. The Cable Manufacturers

Associations's specifications are standard in so far as both Government and industrial requirements are concerned, and the high quality of the British products together with technical selling service, compensate in some degree for the firm prices of the component members, each of whom sells their own manufactures.

The mines are large buyers of cables for underground use, and before the war, Germany enjoyed a flourishing trade in this item. It is probable that some portion of this trade will be regained, since a number of German companies make cable to the specifications of the British Cable Makers' Association. German specifications are not considered as satisfactory for mines' use as those of Great Britain.

One Canadian firm enjoys steady business with the South African Posts and Telegraphs Department, and their cables are very well known among the South African engineers. Canadian cable makers, however, have never competed to any extent in the industrial field, although it is certain that a percentage at least of the requirements is in types of cable which they manufacture.

Heating and Cooking Apparatus.

	1924	1923
	£	£
Great Britain.. . . .	22,653	17,199
United States.. . . .	7,967	7,327
Germany.. . . .	4,882	4,610
All suppliers.. . . .	36,456	30,247

As previously reported (see pages 676-677 of *Commercial Intelligence Journal* No. 1143, dated December 26, 1925), the use of electricity for specialized domestic purposes is not wide spread in South Africa. In the vicinity of Durban, some progress has been made because of reasonable charges and service. It is very probable, however, that in both Cape Town and Johannesburg similar developments in the use of electrical accessories may be anticipated, and that imports will increase steadily during the next few years.

It should be remembered that there is a five per cent preference in favour of British and Canadian electrical heating equipment, which will be of considerable service to Canadian exporters on some of the more competitive lines.

There are a number of lines of standard equipment included in these figures. Reflectors are a considerable item in South Africa, due to the occasionally sharp days of winter. The type in use, supplied from Great Britain, are not as ornate and developed as similar Canadian products, but they are cheap and serviceable. The use of electric logs, air heaters and similar goods has not developed to any extent as yet.

Irons are one of the items in considerable demand. It is unfortunately a line which is being cut very close by European and British competitors, and cheapness is of greater importance than quality. Canadian irons are liked and sell in small quantities, but a somewhat rougher and cheaper type from Great Britain supplies the majority of the demand.

Toasters are not in general use as yet, but they are a development to be anticipated. In this item a quality article is preferred, as with visible elements, the deterioration of cheap equipment is evident.

Hotplates, grills, percolators, curlers and similar goods are entering this market very slowly, but increases in the demand may be anticipated.

Electric ranges are likewise only making a start in South Africa, and except in Durban, the demand is very limited to date. Nevertheless, the cleanliness and convenience of this type of equipment is telling, and Canadian goods are enjoying a fair amount of business in South Africa. As a result, it should be possible for all Canadian manufacturers of electrical ranges to obtain sole distributors in Durban at least, and probably in the other centres also, within the next year or so. One Canadian electric range in particular is very popular and increased business may be expected for some time to come.

Electric washing machines have had no sale until now, and it will be most difficult to introduce them. The sales argument will necessarily be the protection of textiles rather than the cheapness of washing. Enquiries have been received from Durban for Canadian electric washers, but only one or two trial orders have been placed to date.

There is no market for instantaneous water heaters, as the power costs of this equipment are too marked.

There is a good sale for vacuum cleaners. One famous American line pioneered this market, but a good percentage of the business has passed to one or two British firms who offer a less fancy but much cheaper equipment. The demand for vacuum cleaners is fairly constant in all parts of the Union, and may really be recognized as one of the major demands among domestic electrical accessories. To date, however, no Canadian vacuum cleaner has been offered on this market.

METERS		1924	1923
		£	£
Electric—			
Great Britain..		18,516	not previously differentiated.
Germany..		9,825	
United States..		3,710	
All suppliers..		33,243	
Water—			
Great Britain..		67,934	
Germany..		6,236	
United States..		7,445	
All suppliers..		82,067	

Meters are in general use for both water and power mensuration, etc. A wide variety of types are marketed. The purchasing, however, is almost entirely by the municipalities and the Government, limited business only emanating from the mines on this account. The tendency, in spite of the deplorable variation in electrical generation in South Africa, is towards a few types of meters and it is probable that in future the number of instruments offered upon the South African market will be lessened by this circumstance.

In this item, Great Britain has valuable specific preferences, ranging from 2s. 6d. each upon less than 50 ampere instruments up to 10s. each upon meters exceeding 100 amperes. As the average value of meters imported into South Africa is in the neighbourhood of \$5 each the substantial nature of the British preference upon this item may be realized. Canada does not share in this preference at present. Of late, one famous British firm, as well as the British subsidiary of an American manufacturer, have been obtaining markedly increased business. A German organization which obtained large orders before the war, is also active, but without conspicuous success.

GENERAL FITTINGS AND EQUIPMENT		1924	1923
		£	£
Great Britain..		22,594	258,452
Germany..		6,118	66,221
United States..		7,232	76,840
All suppliers..		38,613	

This item summarises electrical line construction hardware including insulators, installation equipment of various sorts and electrical fixtures. The marked reduction from the figures of 1923 is not due to decreased import, but to more differentiated customs classifications.

Porcelain insulators are largely supplied by Great Britain, although in the past a Canadian manufacturer has received substantial orders. The majority of other line construction hardware is of British types, which Canada does not manufacture. The same is true of the majority of installation equipment.

With regard to fixtures, American shapes and types are admired, but German goods are tremendously cheaper, particularly in such fixtures as embody both glass and metal stampings. The sale of first class fixtures of the type manufactured by Canadian firms is very slow owing to the price advantage of German goods of much the same appearance.

ELECTRIC LIGHTING PLANTS

	1924 £	1923 £
Great Britain.. . . .	2,047	not previously
Germany.. . . .	1,006	differentiated
United States.. . . .	7,634	in Customs
All suppliers.. . . .	11,286	returns.

These statistics likewise are deceptive. The motors of the majority of farm lighting plants are adaptable to other services, and consequently they have been entered under "Electrical Machinery." There is really quite a fair business in this equipment in South Africa.

The better class farms in many districts are open to purchase this equipment, which is particularly popular when fitted with accessories which permit the engine to do other work. The predominating line is a well-known American product which is also manufactured in Canada. A number of British firms offer similar plants, but they are less convenient and somewhat higher in price. They are really designed for more ambitious use than farm lighting.

One of the difficulties of introducing new lines of farm lighting plants, lies in the matter of service. Agents or importers do not care to instal these plants themselves, as this makes them liable for service, over a initial period at least. They therefore let out the job to electrical engineers who are in a position to supply service. Unfortunately the distances are so great in South Africa that service charges are excessively high and neither importers nor engineers are particularly keen about handling farm lighting plants on this account. This difficulty will, in course of time, remedy itself, as sales become more extensive, but at present this circumstance retards the sale of these plants.

Farm lighting plants are usually imported without batteries, although sometimes with battery racks. The batteries can be purchased locally to greater advantage.

ELECTRICAL HAND LAMPS

	1924 £	1923 £
Great Britain.. . . .	1,402	not previously
Germany.. . . .	1,856	differentiated
United States.. . . .	2,557	in Customs
All suppliers.. . . .	7,217	returns.

Almost every torch seen in the shop bears one famous American trade mark. Nevertheless, from the statistics, it would appear that both Germany and the United Kingdom compete in this trade. It seems probable that these importations represent other equipment besides the common variety of hand torch.

GLOBES AND BULBS

	1924 £	1923 £
Great Britain.. . . .	37,257	49,049
Germany.. . . .	11,255	10,293
Holland.. . . .	24,996	20,005
United States.. . . .	30,027	17,751
All suppliers.. . . .	111,612	111,622

During the past two years, both Holland and the United States have increased their trade very considerably in this item, to the disadvantage of British

manufacturers. It has been due largely to increased selling efforts, as it is understood that the principal suppliers from each country sell from the same standard lists and quote much the same discounts.

In the new tariff Great Britain retains a valuable specific preference upon this item, which may aid in repulsing the inroads of her competitors in the future.

Canadian globes have been repeatedly offered in South Africa, but they are always found to be slightly higher in price than similar goods from other principal competitors.

COMMERCIAL NOTES FROM NEW SOUTH WALES

COMMERCIAL AGENT B. MILLIN

Record Australian Sugar Crop Expected

Sydney, Australia, December 17, 1925.—Most of the sugar crop of Australia, all of which is grown on the east coast, comes from the State of Queensland, the balance being derived from the northern part of the State of New South Wales. The Queensland production of sugar cane for 1925 is expected to be 3,753,000 tons which will constitute a record crop. As regards sugar it is estimated that the total yield of the Commonwealth will be 519,000 tons of which 484,000 tons will be produced in Queensland. A considerable quantity of this yield will be available for export and, in view of the preferential tariff now in force, it might be worth the consideration of Canadian importers.

Since 1920 the area under cane has increased from 162,619 acres to 253,519 acres, while the number of growers has made the proportionately large increase from 4,000 to 6,000 during the same period. This includes many Italians who within the last few years have acquired large interests in the industry and have gradually formed small colonies of their own, a matter which has been of grave concern to the government.

Australian Butter Production

With a change in climatic conditions and plentiful rainfall throughout the butter districts production has increased very considerably during the last few weeks although prices are weak and it appears as though a further decline would take place in the near future.

A larger volume of export business is now possible, however, owing to the release of vessels which were held up by the seaman's strike. Despite this disturbance a considerable quantity of butter was shipped abroad in vessels not affected by the strike but exporters were subjected to a great deal of hinderance in their operations.

Australian Wheat Harvest

During the last month rain has fallen plentifully over the wheat areas and the outlook for the new crop has improved materially. It is anticipated that the exportable surplus from the whole Commonwealth will be about 54,000,000 bushels, which is only half the amount exported last season but considerably more than was recently estimated. For the State of New South Wales alone the estimate is 35,000,000 bushels or about 25,000,000 bushels below that of last season.

Motor Car Show at Sydney

Preparations are now being made to hold an automobile show in Sydney early next year which it is stated will be the largest show of its kind ever held in Australia.

Sydney Wool Sales

The outstanding feature of the final round of the Sydney wool auctions for the half year was the extreme keenness of the French demand for quality lines, especially when showing good breeding and attractive conditions. Quite a number of such lines were marketed and sales were at the best point for the year. The highest point realized was 39 pence per pound for greasy wool which is considerably lower than last seasons record.

Generally speaking the market may be said to show no material change and although irregularities existed they were not sufficient to indicate any marked weakness. At the closing the auctions showed a degree of firmness that encouraged growers to look for a sound market in 1926.

This strength was solely due to the vigor and strength of Continental buying and it was markedly so at the beginning of the operations in July when French buying created almost a sensation in the face of fairly general pessimism. It was a striking fact, throughout the closing series, that it was the vim of French buying with German assistance which, to a large extent, prevented what might have been a serious slide in values. Japanese support must also be mentioned although it was not of the volume of the Continental sections.

Yorkshire buying was more or less patchy although a fair quantity of wool was taken. There will be no further sales at Sydney until the 18th of January, 1926.

Decline in Australian Gold Yield

A serious drop is recorded in the gold yield of Australia for the ten months ending with last October when the figures are compared with those for the same period in 1924 which, in turn, were a good deal lower than the January-October yield in 1923. The total yield for the first ten months of the present year is 460,000 ounces fine, against 563,293 ounces fine in 1924. This shrinkage is common to all the states in the Commonwealth. In the State of West Australia, which is the largest producer, it has dropped from 407,126 to 361,483 ounces. Proportionately the largest decline has occurred in Queensland, where the yield is now down to 36,391 ounces, a decline of 42,871 ounces. This is in part accounted for by the stoppage of operations at the Mount Morgan mine which has been a producer for many years.

Costs and labour have been altered so much in favour of the miner that with the relatively low grade ores which are generally worked throughout the Commonwealth, it is now difficult to work at a profit.

MEMORANDUM TO IMPORTERS AND SHIPPERS OF NURSERY STOCK FROM COUNTRIES OTHER THAN THE UNITED STATES

On May 4, 1925, a general memorandum was issued by the Destructive Insect and Pest Act Advisory Board, Department of Agriculture, Ottawa calling the attention of importers and shippers to the Order issued under the Animal Contagious Diseases Act in reference to the use of hay, straw and fodder, including sphagnum moss as packing, on account of the foot and mouth disease.

Several shipments of nursery stock have already been returned to the country of origin from the port of arrival in Canada on account of not being accompanied by the required certificate which must be attached to the ship's manifest.

Importers are advised to notify their shippers of these requirements and if further information is desired, a copy of the memorandum referred to can be obtained on request, from the Secretary, Destructive Insect and Pest Act Advisory Board, Department of Agriculture, Ottawa.

EXPORTS FROM CANADA TO THE UNITED STATES OF PRINCIPAL COMMODITIES PRODUCED ON CANADIAN FARMS, OR MANUFACTURED DIRECTLY FROM SUCH FARM PRODUCTS, DURING THE MONTH AND TWO MONTHS ENDED DECEMBER, 1920, 1921, 1924 AND 1925; WITH UNITED STATES TARIFF RATES IN FORCE

(COMPILED BY THE EXTERNAL TRADE BRANCH, DOMINION BUREAU OF STATISTICS AND THE FOREIGN TARIFFS DIVISION)

Commodities	Month of December				Two Months ended December				United States Tariff Rates in force		
	1920	1921	1924	1925	1920	1921	1924	1925	Prior to May 27, 1921	From May 27, 1921 to Sept. 21, 1922	Subsequent to Sept. 21, 1922
Animals (except for improvement of Stock)											
Cattle.....	29,295	15,103	6,248	16,509	153,271	100,175	34,246	59,078	Free	30 p.c.	(a)
Horses.....	2,175,724	352,232	159,074	536,637	11,738,878	1,806,018	1,051,136	2,009,632	Free	10 p.c.	(b)
Poultry.....	56,264	36,562	8,116	3,775	297,540	110,917	24,882	18,202	10 p.c.	10 p.c.	
Sheep.....	152,183	169,470	177,451	169,470	484,705	496,995	496,995	539,187	1c. per lb.	1c. per lb.	3c. per lb.
Goats.....	166,622	153,293	153,293	178,439	543,326	490,133	408,947	495,656	1c. per lb.	1c. per lb.	
Swine.....	21,796	1,851	1,244	1,244	105,210	41,157	17,304	26,598	Free	(c)	\$2 per head
Fruits—	172,448	22,770	18,775	12,372	937,556	209,841	118,310	206,088	Free		
Apples, green or ripe.....	1,194	16,375	730	5,940	10,123	387,161	30,825	23,679	30c. bu.	30c. bu.	25c. bu. 50 lb.
Apples, dried.....	6,716	84,235	4,013	35,882	48,203	1,933,598	168,827	119,332	1c. per lb.	1c. per lb.	2c. per lb.
Berries, fresh.....	7,040	38,713	2,901	20,613	23,542	71,652	43,221	110,240	1c. per qt.	1c. per qt.	14c. per lb.
Grains—											
Barley.....	137	2,632	1,329	1,443	128	128		2,886	15c. bu. 48 lb.	15c. bu. 48 lb.	20c. bu. 48 lb.
Beans.....	759	6,729	5,942	7,104	357	2,631	2,025	22,149	2c. lb.	2c. lb.	14c. lb.
Buckwheat.....	67,107	30,134	193,743	22,016	1,964	53,364	9,074	58,704	Free	Free	10c. per 100 lb.
Oats.....	134,960	20,917	175,915	2,364	78,845	421,744	230,208	6,155	Free	Free	
Peas, whole.....	88,796	601,426	104,990	58,000	209,346	829,588	86,150	266,735	6c. bu. 32 lb.	6c. bu. 32 lb.	15c. bu. 32 lb.
Peas, split.....	2,950	10,129	12,502	32,940	146,131	56,039	70,847	74,018	10c. bu. 60 lb.	10c. bu. 60 lb.	1c. lb.
Rye.....	18,998	28,882	41,367	59,371	76,049	177,558	169,490	157,781	20c. bu. 60 lb.	20c. bu. 60 lb.	13c. lb.
Wheat.....	110,531	29,529	1,121	1,536	243,635	50,997	5,832	171	Free	Free	15c. bu. 56 lb.
Wheat, shorts and middlings.....	176,337	1,595	1,410	937	401,618	56,279	2,905	1,536	Free	Free	42c. bu. 60 lb.
Wheat Flour.....	12,234,449	3,365,601	1,105,998	2,992,918	29,169,956	9,172,155	1,863,903	8,567,376	Free	35c. per bush.	(d)
Meats—	24,796,861	3,629,210	1,701,166	4,411,558	65,478,618	10,280,239	2,773,560	8,567,376	Free	20 p.c.	(e)
Bacon, hams, shoulders and sides.....	157,442	22,419	150,742	299,765	413,196	241,619	872,702	1,292,341	(e)	(e)	2c. per lb.
Beef, fresh, chilled or frozen.....	269,145	22,552	198,094	367,210	770,632	231,488	1,109,746	1,626,839	Free	25 p.c.	3c. p. lb. (g)
Wheat Flour.....	194,181	83,143	22	931	521,477	226,203	4,610	6,371	Free	20 p.c.	1.04 p. 100 lb.
Meats—	1,985,425	471,836	172	4,125	5,723,301	1,411,717	25,549	40,660	Free	20 p.c.	1.04 p. 100 lb.
Bacon, hams, shoulders and sides.....	228	120	379	800	958	350	4,139	3,248	Free	25 p.c.	2c. per lb.
Beef, fresh, chilled or frozen.....	9,412	3,506	11,644	29,404	38,821	11,220	86,441	112,340	Free	25 p.c.	2c. per lb.
Wheat Flour.....	24,715	31,869	4,858	10,808	98,314	95,166	12,029	42,157	Free	25 p.c.	3c. p. lb. (g)
Wheat Flour.....	356,381	348,204	40,376	120,476	1,413,579	1,002,625	103,076	493,468	Free	2c. per lb.	3c. p. lb. (g)

Mutton and lamb, fresh, chilled or frozen.....	Cwt.	8,744	14,890	17	2,640	39,072	44,817	236	17,418	Free	2c. per lb.	(h)
Pork, fresh, chilled or frozen.....	Cwt.	272,040	66,740	433	6,740	997,361	741,447	5,055	430,110	Free	2c. per lb.	(b)
Pork, dry-salted and pickled.....	Cwt.	1,088	1,908	5,680	3,671	2,476	67,923	633,239	245,028	Free	2c. per lb.	4c. per lb.
Poultry, dressed or undressed.....	Cwt.	30,799	100,974	48,313	622	9,795	611,513	109,981	264,237	Free	25 p.c.	2c. per lb.
Other meats, including canned meat, but excluding extracts.....	Cwt.	7,420	840	99,270	249,246	358,932	611,513	109,981	264,237	Free	2c. per lb.	6c. per lb.
Milk and milk products—												
Butter.....	Lb.	1,446	990	982	2,275	6,704	3,441	3,549	6,285	Free	25 p.c.	20 p.c.
Butter.....	Lb.	25,374	9,078	14,683	22,975	106,256	34,667	47,354	71,748	Free	25 p.c.	20 p.c.
Cream.....	Lb.	288,902	389,491	482,613	39,562	1,439,608	2,301,493	518,809	325,168	2½c. per lb.	6c. per lb.	8c. per lb.
Milk, fresh.....	Gal.	135,846	155,962	211,711	14,186	722,798	856,193	244,425	129,921	2½c. per lb.	6c. per lb.	8c. per lb.
Milk, condensed, including milk powder.....	Gal.	8,224	170,221	40,700	24,000	94,739	2,447,912	126,900	62,700	20 p.c.	23 p.c.	(i)
Flaxseed.....	Bush.	7,753	29,346	10,342	7,847	372,552	372,552	29,993	21,402	Free	5c. gal. (j)	20c. gal. (j)
Grass seed.....	Bush.	87,883	127,353	372,557	680,154	306,248	386,143	665,404	965,726	Free	5c. gal. (j)	20c. gal. (j)
Vegetables—												
Potatoes.....	Bush.	1,088,105	5,824	645,230	308,000	2,700,699	38,715	2,398,566	1,580,900	Free	2c. per lb.	1c.—3c. lb.
Sugar beets.....	Ton	190,895	749	28,678	407,640	7,877	39,532	60,537	72,071	Free	Free	4c. per lb.
Turnips.....	Bush.	5,052	15,405	12,989	17,405	8,155	39,532	60,537	72,071	Free	Free	4c. per lb.
Miscellaneous Products—												
Eggs.....	Doz.	31,885	3,846	356	230	114,478	109,755	48,881	54,783	Free	15 p.c.	12c. per 100 lb.
Hay.....	Ton	19,530	2,124	109	98	76,280	32,818	21,945	22,281	Free	Free	8c. per doz.
Maple sugar.....	Lb.	229,245	2,966	113,430	346,930	689,981	7,432	308,110	979,692	\$2 ton 2,240 lb.	\$4 ton 2,240 lb.	
Tallow.....	Cwt.	7,550	353,025	91,931	86,713	730,567	893,946	782,388	300,021	3c. per lb.	3c. per lb.	4c. per lb.
Wool.....	Lb.	1,741	25,017	13,635	1,173	187,722	64,026	109,116	3,115	Free	Free	1c. per lb.
Total value of above commodities.....	\$	33,591,441	7,942,965	9,817,903	95,601,457	25,576,106	14,846,222	26,732,778				

(a) Cattle weighing less than 1,050 pounds, 1½c. per lb.; 1,050 pounds or over, 2c. per lb. (b) Horses valued at not more than \$150 each, 20 per cent; (c) Sheep, one year old or over, \$2 per head; less than one year old, \$1 per head. (d) Prior to April 6, 1924, 30c. per bush. (e) Prior to May 27, 1921, to September 21, 1922, free, if wheat products, but otherwise apparently 15% ad val.; from September 21, 1922, to April 6, 1924, 15% ad val.; subsequent to April 6, 1924, if from wheat 7½% ad val.; if from other cereals, 15% ad val. (f) Prior to April 6, 1924, 78c. per 100 lb. (g) Applies to particular meat in question when "fresh." (h) Mutton fresh, 2½c. per lb.; lamb, fresh, 4c. per lb. (i) Cheese, 5c. per lb. but not less than 25 per cent. (j) 1c. 231 cubic inches without equal to one-sixths of a commercial gallon. (k) Clover seed, crimson, 1c. per lb.; white, 3c. per lb. and other, 2c. per lb. (l) Dutiable at various rates. See Commercial Intelligence Journal No. 974, Sept. 30, 1922, pages 516-17.

THE MARKET FOR WOOD-PULP IN ARGENTINA

TRADE COMMISSIONER E. L. MCCOLL

Buenos Aires, December 24, 1925.—The importation of wood-pulp into Argentina shows a steady increase from 12,300 tons in 1921 to 16,000 tons in 1924, and will probably rise to 20,000 tons in 1925. Germany is the chief source of supply, furnishing about $57\frac{1}{2}$ per cent of the total imports for 1924 and the first six months of 1925. Sweden, Finland and Austria follow in the order named with 18 per cent, $13\frac{1}{2}$ per cent, and 6 per cent, the remaining 5 per cent being supplied by other countries. No imports are shown from Canada.

There are eight paper mills in Argentina, having a total invested capital of from \$8,000,000 to \$8,500,000 (Canadian). Their present daily consumption amounts to about 17 tons of mechanical wood-pulp and 38 tons of chemical wood-pulp. Besides this importation, the mills use some 18,000 tons per year of old paper collected locally. Altogether, the mills consume about 35,000 tons per year of raw material, manufacturing about 23,000 tons of wrapping and similar paper, 3,000 to 4,000 tons of medium printing and book paper, and about 3,000 tons of carboard.

The three principal mills are Cia. General de Fósforos, Cia. La Argentina, and El Fénix. They employ, all told, about 1,500 hands. The remaining five mills have between them some 300 employees, making a total of about 1,800 engaged in the industry. The average wage is about 5.00 paper pesos (\$2.09 Canadian) per working day.

During the war a considerable quantity of first quality mechanical wood-pulp was made here from willow and poplar at a cost of about 12 cents (Canadian) per kilo. This raw material could be made to-day at from 8 to 9 cents, but production has ceased owing to the fact that imported mechanical pulp laid down at the mill, duty paid, costs from 5 to $5\frac{1}{2}$ cents. Under more active conditions the normal monthly consumption of El Fénix has been about 150 tons of mechanical, 200 to 250 tons of strong unbleached sulphite and 100 tons of bleached sulphite, while that of each of the other two companies mentioned has been about double these quantities. The mills are therefore working considerably below normal. Old paper, as is seen above, is used extensively. El Fénix consumes about 200 tons per month, while Cia. La Argentina and Cia. General de Fósforos use about 500 and 700 tons respectively.

Wrapping paper and cardboard are the chief products of the mills, while general writing and book paper of medium quality is no more than holding its own. Newsprint comes in duty free and cannot therefore be manufactured locally. The low duty on general writing and book papers makes local manufacture difficult, although wholesale buyers are willing to pay a few centavos more per kilo when buying in small quantities for immediate delivery from the local factory, rather than undergo the difficulties encountered when purchasing from abroad. The customs duty on pulp, wrapping, writing and book papers is approximately as follows, in Canadian currency per ton: wood-pulp, \$6.75; wrapping paper, \$100; writing and book paper, \$40.

Recently, general utility writing paper of national manufacture and of good quality was sold by the mills at 11.3 cents (Canadian) per kilo, but at the time of writing the price is reduced to 9.6 cents. The same quality paper is placed in the hands of the wholesalers by foreign mills at from 8.75 to 9 cents per kilo. Kraft wrapping paper of national manufacture, made from imported pulp, is not considered to be of as good quality as the foreign article, the explanation being that pulp coming in dry requires to be remanipulated, thus causing a depreciation in quality. National kraft wrapping paper of 80 grammes per square metre, selling at 16.7 cents (Canadian), per kilo, is met in competition by foreign kraft wrapping paper of equal strength but of 40 to 45 grammes

per square metre at 27 cents, the merchant therefore obtaining the foreign article at some 30 per cent less in price per sheet than that of the home made product.

Recent c. and f. quotations for medium quality pulps have been as follows: mechanical, £8 10s.; chemical unbleached, £12 10s.; chemical bleached, £17 10s.

The undermentioned statistics show the countries of origin of wood-pulp imported into Argentina:—

	1921	1922	1923	First 6 Months	
				1924	1925
Austria .. . . .	....	13	1,408	1,190	376
Canada	143	....	....	....	....
Czecho-Slovakia	207	634	....	....	....
Finland	1,422	2,656	1,322	2,419	1,167
France	11	479	254	86	....
Germany	4,673	3,622	8,891	9,951	5,335
Holland	261	....	....	....	....
Italy .. . . .	....	....	120	254	....
Lithuania .. . . .	....	....	....	257	....
Norway	564	1,542	102	....	325
Poland .. . . .	....	....	....	....	375
Sweden	3,773	5,112	3,223	2,011	2,735
Switzerland	255	104	....	....	....
United Kingdom	106	....	....	....	....
United States	872	....	101	....	....
Totals	12,297	14,162	15,422	16,167	10,313

Total exports of Canadian pulp for the month of October, 1925, amounted to 99,211 tons—approximately 60 times the amount which Argentine mills consume—yet statistics show that none of this Canadian pulp comes to Argentina. If Canadian mills care to send samples of the pulps which they produce together with c.i.f. quotations to the Canadian Trade Commissioner at Buenos Aires, the possibility of obtaining a share of the market will be investigated.

NEW PACIFIC COAST-EAST COAST SOUTH AMERICA SHIPPING SERVICE

Canadian exporters will doubtless be interested in knowing that a direct steamship service between Canadian ports on the Pacific and South American east coast ports will be put in operation shortly. The Empire Shipping Company announce that they have arranged with Messrs. Westfal-Larsen Company A/S of Bergen, Norway, to establish a regular monthly service between Pacific coast ports and Argentina. It is proposed to commence the service in March next with the following vessels, in the order named: ss. *Leikanger*; ss. *Evanger*; ss. *Hardanger*; m.s. *Brandanger*; m.s. *Hojanger*. These are all first-class modern vessels, well adapted for the trade, and the owners will immediately commence the building of two motor-ships to operate in this service.

In order to expedite delivery of cargo to the principal ports in the Argentine such as Buenos Aires, Montevideo, Bahia Blanca, etc., the intention is to route the vessels southbound via the Straits of Magellan, returning homeward via Santos and the Panama canal. This will ensure a much quicker service to these ports.

The company is now in a position to book cargo for the first vessel, ss. *Leikanger*, expected available to commence loading late February-early March for Bahia Blanca, Montevideo and Buenos Aires, also for the next two vessels expected available March-April and April-May.

IMPORTANCE OF TRADE MARKS IN CHINA

TRADE COMMISSIONER, L. M. COSGRAVE

Shanghai, December 22, 1925.—Of the many factors that make for success or failure, none is more important than that of the “chop” or trade mark. The “chop” is China’s universal term for trade mark, trade name, stamp or symbol by which a particular article is identified, but it is much more far reaching than that.

When a Chinese merchant puts his company or Hong name on a paper dollar of doubtful issue, it becomes a “chop dollar” and is thus guaranteed by him at its face value. Again if a Chinese states in regard to another that he does not like his “chop” it means that he emphatically distrusts the stamp that nature has put upon the man and considers it very bad luck to have any dealings whatsoever with him. On the contrary if the man’s chop meets his approval, that man is definitely recognized as being thoroughly sound and reputable.

TRADE MARK MUST BE STRIKING AND SIMPLE

The Chinese merchant looks upon the trade mark as a manufacturers’ guarantee of good faith, and once he has become familiar with it on a line of goods which has given him satisfaction, practically nothing will make him change from that trade mark, and even a lower price will not often tempt him. Imitation of the chop is almost the only ruse that will decoy him from the line to which he has become accustomed. It will be realized, therefore, that the selection of a trade mark or brand for use in the Chinese market is one of prime importance. Above all it must be striking: the Chinese are passionately fond of colours and are great lovers of nature. They prefer a trade mark which conveys its idea graphically; each colour has a special significance, every flower, figure, tree and animal conveys a meaning to the Chinese mind quite apart from its literal identity, and a harmonious combination of these in colour and design makes a quick appeal to their eyes and understanding. Consequently a trade mark must be simple. A picture which can be understood by the lowest coolie and which at the same time is difficult to imitate successfully, will go far towards establishing a brand in the Chinese market; whereas the more complicated the trade mark, the more difficult it is to imprint it upon the average buyer’s mind and the more easily can it be imitated or altered without detection.

Foreign words are apt to confuse the Chinese customer, as they tend to convey ideas foreign to his way of thinking; and incidentally, words lend themselves very easily to imitation. For example, if the foreign word is not understood, the Chinese merely count the letters in a brand name and thus an imitation containing the same number of letters will often convey the same meaning to the Chinese mind. Again very often when one attempts to translate foreign words into Chinese characters it is found that their meaning cannot be translated and when exact translation is thus impossible it is customary to select a Chinese term descriptive of the article or some important phase of it.

SELECTION OF TRADE MARK

Trade marks which contain only the names of colours, flowers, animals or similar objects of nature offer very little translation difficulties, while other trade marks become known through their English names aided by a striking illustration. Again distributors of well-known brands in China often use transparent paper covers stamped with Chinese characters over the original label, particularly for distribution in the interior. It is advisable to combine the name of the manufacturer with the best possible trade mark as the Chinese likes to know that what he uses is of foreign origin and where it originates, though the latter information is not usually a part of the trade mark.

CHINESE SENSIBILITIES MUST NOT BE OFFENDED

The trade mark or chop selected must never offend Chinese sensibilities nor violate conventions established by long tradition. It would be a mistake for example, to feature a dog as a trade mark, for the dog has no high place in Chinese regard, and its significance as a mark of quality would be lost. Again a green hat carries a sinister meaning, and incidentally, Chinese do not wear green hats. Still worse would be the error of a manufacturer who used a rabbit on his wares, which is looked down upon by all Chinese, and if by chance the—to our Western ideas—inoffensive turtle—were used his produce would be condemned from one end of China to the other. On the other hand, among the many symbols acceptable to Chinese ideas, particularly those that pertain to the comfort and well being of family life—an institution given greatest respect in China—may be mentioned the wild goose—suggesting harmony; peach blossoms, indicating felicity; the lily and melons, emblematic of the life principle in nature, and practically all types of flowers, ships, and houses.

EXPERT ADVICE SHOULD BE OBTAINED

No symbol, however, should be used for the Chinese market without securing expert advice as to its appropriateness. Otherwise, with the best intentions in the world, the user may find his firm and products ridiculed by the Chinese, and a trade mark for use in China should never be adopted unless submitted to some recognized authority in China for approval. The mere fact that a man is Chinese does not qualify him as an expert, and only considerable experience and judgment can determine whether or not a chop will prove acceptable in all the different parts of China.

In this connection the writer would be glad to obtain the opinion of responsible Chinese associations on any chops which Canadian manufacturers desire to place on this market, and the Chinese General Chamber of Commerce have advised this office that they will be glad to co-operate in this regard.

PROTECTION OF TRADE MARKS

Owing to the operation of the extra-territorial system trade-marks protection is automatically divided into two parts—(a) protection against infringement by foreigners enjoying extra-territorial rights and (b) protection against infringement by Chinese.

Foreigners without extra-territorial privileges, viz. citizens of Austria, Germany and Russia, need not be taken into separate account, as in this respect they are in the same category as Chinese citizens.

Since foreigners in China who enjoy extra-territorial rights are subject only to the law and authority of their own governments, legislation on the part of the Chinese Government cannot effect them, and the usual recourse in regard to infringement by a foreigner with extra-territorial rights is that of appeal to his national representative. No special legislation has been undertaken by any country to provide for this situation, though it has been handled quite satisfactorily by means of exchange of notes between the diplomatic representatives in China of the various Treaty Powers. These Powers have agreed that infringement of trade marks that are the property of their nationals may be brought to trial before the national courts in China of the defendant.

This reciprocal trade mark protection exists between Great Britain, Belgium, Denmark, France, Italy, the United States, Japan, the Netherlands and Sweden.

The Trade Mark law promulgated in China in May 1923, which was outlined by the writer in the Commercial Intelligence Journal No. 1114 of June 6, 1925, offers for the first time legal protection against trade marks' infringements by Chinese and to date, though some difficulty has arisen due to incomplete recognition by the various Treaty Powers of the Chinese Trade Marks Bureau as a whole, foreign firms who have had occasion to call for protection and have been registered officially with the trade marks bureau, report satisfactory results.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Safeguarding of Industries Duties in United Kingdom

With reference to the article in Commercial Intelligence Journal No. 1142, December 19, 1925, page 645, respecting proposed new safeguarding duties in the United Kingdom on cutlery, gloves, and mantles for incandescent lighting, the issue of the British Board of Trade Journal of December 31, 1925, states that the Safeguarding of Industries (Customs Duties) Act imposing duties on these articles came into force on December 22. The duties are to remain in force for a period of five years. A preference of one-third is given to Empire products. It is provided that where any article chargeable with duty under the new Act is also chargeable with any other duties of customs the higher duty only is to be charged.

The list of articles to which duties are applicable under the new Safeguarding of Industries (Customs Duties) Act is given in the first schedule to the Act and is as follows:—

Article	Full rate of duty
<i>Cutlery</i>	
Knives with one or more blades made wholly or partly of steel or iron other than surgical knives or knives for use in machines.	An amount equal to 33½ per cent of the value of the article.
Scissors, including tailors' shears and secateurs, made wholly or partly of steel or iron.	
Safety razors and component parts thereof.	
Razors other than safety razors.	
Carving forks.	
Knife sharpeners wholly or partly of steel.	
Handles, blades or blanks for any of the above mentioned articles.	
<i>Gloves</i>	
Gloves made in whole or in part of leather or of fur, and leather or fur cut out for sewing into gloves, but not including gloves known as astrakhan gloves or gloves in which leather is used only as trimming or binding.	An amount equal to 33½ per cent of the value of the article.
Gloves cut out of woven or knitted material consisting in whole or in part of cotton and sewn up and known as fabric gloves, and material for such gloves cut out ready for sewing.	
<i>Mantles for Incandescent Lighting</i>	
Mantles for incandescent lighting whether collodionized or not, the gross	6s. 0d.
Impregnated hose or stockings for use in the manufacture of such mantles, the pound	4s. 6d.

The items on cutlery and mantles for incandescent lighting quoted above are the same as already published in the Commercial Intelligence Journal.

New Zealand Customs Regulations

A leaflet setting forth particulars of the revised New Zealand customs regulations referred to in Commercial Intelligence Journal, No. 1141, December 12, 1925, page 635 has been published by the Canadian Department of Trade and Commerce and may be obtained by firms interested on application to the Department at Ottawa. The revised regulations relate to preference conditions and invoicing regulations made by Order in Council of November 21, 1925, and are to apply to goods entering New Zealand on and from April 1, 1926. Consequently, Canadian exporters should begin soon to comply with the new regulations. These regulations provide, among other things, for an increase from 25 per cent to 50 per cent in the proportion of British value in goods for the purpose of applying the preferential tariff, except where special provision is otherwise made.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING JANUARY 25, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending January 25, 1926. Those for the week ending January 18, 1926, are also given for the sake of comparison.

	Parity	Week Ending	
		January 18, 1926	January 25, 1926
Britain £	1.00	\$4.86	\$4.8575
Czecho-Slovakia Crown	1.	.203	.0296
France Fr.	1.	.193	.0377
Italy Lire	1.	.193	.0404
Holland Florin	1.	.402	.4020
Belgium Fr.	1.	.193	.0454
Spain Pes.	1.	.193	.1416
Portugal Esc.	1.	1.08	.0520
Switzerland Fr.	1.	.193	.1932
Germany Reichs Mk.	1.	.238	.2381
Greece Dr.	1.	.193	.0139
Norway Kr.	1.	.268	.2036
Sweden Kr.	1.	.268	.2676
Denmark Kr.	1.	.268	.2438
Japan Yen	1.	.498	.4445
India R.	1.	2s.	.3700
United States \$	1.	\$1.00	1.0025
Mexico \$	1.	.498	.4830
Argentina Pes.	1.	.424	.4137
Brazil Mil.	1.	.324	.1490
Roumania Lei	1.	.193	.....
Jamaica £	1.	4.86	4.8775
British Guiana \$	1.	1.	1.0050—1.0175
Barbados \$	1.	1.	
Trinidad \$	1.	1.	
Dominica \$	1.	1.	
St. Kitts \$	1.	1.	
Grenada \$	1.	1.	
St. Vincent \$	1.	1.	
Tobago \$	1.	1.	
Shanghai, China Tael	1.	.708	.5875
Batavia, Java Guild	1.	.402	.4050
Peru Pound	1.	4.863	3.8700
Singapore, Straits Settlements .. \$	1.	.567	.5725

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

83. BOXED APPLES.—Well-known and experienced agents in Sao Paulo wish agencies.

84. GRADED FRESH APPLES.—A Brussels firm anxious to hear from Canadian exporters. Give complete and detailed offers in first communication.

85. CODFISH.—Well-known and experienced commission agents in Sao Paulo wish agencies.

86. A commission agent at Havana is desirous of representing Canadian exporters of the following: flour, oats, potatoes, onions, codfish, smoked herrings.

87. FLOUR.—Well-known and experienced commission agents in Sao Paulo wish agencies.

Miscellaneous

88. STOCK AND DAIRY FEED.—Jamaican dairyman would like to buy from Canada oats, corn, hay, middlings, bran, and mixed feed. Would be a regular customer.

89. LINSEED, LINSEED CAKE, AND LINSEED OIL.—A firm of importers and buying agents in Hamburg, Germany, wish to get in touch with Canadian producers.

90. CAP-MAKING MATERIALS.—Jamaican firm of cap manufacturers are in the market for tweeds, cloth, jute stiffening, sweat bands, and similar goods for use in cap-making, of types like those on file with the Department of Trade and Commerce, Ottawa.

91. RAW FURS.—Well-known and experienced commission agents in Sao Paulo wish agencies.

92. PLAYER PIANOS.—An important firm of piano dealers would like to hear from Canadian manufacturers who can offer an instrument about \$410 f.o.b. Canadian ports, to compete with American cheap instruments.

93. MARKET GARDENING TOOLS AND APPLIANCES.—Well-known and experienced commission agents in Sao Paulo wish agencies.

94. GENERAL HARDWARE.—Uruguayan manufacturers' agent wishes to receive samples, prices, and catalogues from Canadian manufacturers with a view towards representation.

95. MECHANICAL WOOD-PULP.—Well-known and experienced commission agents in Sao Paulo wish agencies.

96. TOOL HANDLES.—An influential London company who manufacture and distribute certain varieties of turnery and import large quantities of handles—hammer, pick, shovel, etc.—are prepared to consider offers from Canada and invite samples and prices c.i.f. from Canadian manufacturers who can ship regularly.

97. GREASE-PROOF PAPER.—Cold storage plant in Bangkok want c.i.f. prices as per sample on file with Department; also unprinted, in various sizes.

98. GREASE-PROOF PAPER.—Importer in Bangkok desires samples and c.i.f. prices Bangkok.

99. RUBBER HEELS.—Argentine manufacturers' agent dealing in shoe supplies wishes to represent Canadian manufacturer of rubber heels who is willing to advertise. Samples, prices, and full particulars should be sent to the Canadian Trade Commissioner at Buenos Aires.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From St. John

To LONDON.—Brecon, Feb. 13; Bothwell, Feb. 27—both Canadian Pacific; Canadian Raider, Feb. 3; Canadian Rancher, Feb. 17—both C.G.M.M.; Vallevia, Cunard Line, Feb. 17.

To CARDIFF AND SWANSEA.—Canadian Victor, Feb. 10; Canadian Leader, Feb. 24—both C.G.M.M.

To BELFAST AND DUBLIN.—Carrigan Head, Feb. 5; Lord Londonderry, Feb. 25—both Head Line.

To LIVERPOOL.—Metagama, Feb. 5; Montcalm, Feb. 12; Montclare, Feb. 19; Montrose, Feb. 26—all Canadian Pacific; Newfoundland, Furness, Withy, Feb. 2.

To AVONMOUTH.—Parthenia, Feb. 5; Kastalia, Feb. 20—both Anchor-Donaldson; Bawtry, Canadian Pacific, Feb. 5.

To SOUTHAMPTON.—Marloch, Canadian Pacific, Feb. 17.

To MANCHESTER.—Manchester Corporation, Feb. 6; Manchester Brigade, Feb. 20—both Manchester Liners.

To GLASGOW.—Morevia, Feb. 2; Gracia, Feb. 16; Carmia, Feb. 23—all Anchor-Donaldson; Bolingbroke, Canadian Pacific, Feb. 9.

To ANTWERP.—Canadian Raider, Feb. 3; Canadian Rancher, Feb. 17—both C.G.M.M.; Balfour Feb. 3; Marloch, Feb. 17—both Canadian Pacific.

To ROTTERDAM.—Hada, Feb. 16; Essex County, Feb. 28—both Intercontinental Transports, Ltd.

To HAMBURG.—Balfour, Feb. 3; Batsford, Feb. 24—both Canadian Pacific; Brant County, Intercontinental Transports, Ltd., Feb. 28.

To BERMUDA, BARBADOS, TRINIDAD AND DEMERARA.—Berwyn, Canadian Pacific, Feb. 6.

To AUSTRALIAN AND NEW ZEALAND PORTS.—Largolaw, New Zealand SS., Ltd., Feb. 17.

To CUBA.—A steamer, Feb. 10, Feb. 20, H. E. Kane & Co.; Emperor of Montreal, Robert Reford & Co., Feb. 20.

To SOUTH AMERICAN PORTS.—Folkvard, Houston Line, Feb. 20.

To ITALIAN PORTS.—Valnegra, Lloyd Mediterraneo Italian Service, Feb. 8.

To SOUTH AFRICAN PORTS.—Cariboo, Elder Dempster, Feb. 15.

From Vancouver

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Asia, Canadian Pacific, Feb. 6.

To YOKOHAMA, KOBE, SHANGHAI, HONG KONG AND MANILA.—Empress of Canada, Canadian Pacific, Feb. 20.

To YOKOHAMA, KOBE, MOJI, DAIREN, TAKU AND SHANGHAI.—Alabama Maru, Osaka Shosen Kaisha, Feb. 14.

To YOKOHAMA, KOBE AND HONG KONG.—Protesilaus, Blue Funnel, Feb. 18.

To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Niagara, Canadian-Australasian Royal Mail Line, Feb. 10.

To AUSTRALIAN AND NEW ZEALAND PORTS.—West Islip, Pacific-Australasian Royal Mail Line, Feb. 15.

To WEST COAST UNITED KINGDOM PORTS.—Canadian Skirmisher, C.G.M.M., Feb. 25.

To LONDON.—Loch Gail, early February; Grootendyk, middle February—both North Pacific Coast Line; Canadian Importer, C.G.M.M., Feb. 10.

To LIVERPOOL.—Loch Gail, early February; Grootendyk, middle February—both North Pacific Coast Line.

To MANCHESTER.—Northwestern Miller, Feb. 2; Pacific Trader, Feb. 9—both Furness, Withy Line.

To GLASGOW.—Gaasterdyk, North Pacific Coast Line, early February.

To BORDEAUX, HAVRE AND ANTWERP.—Arkansas, Feb. 8; Georgia, Feb. 20—both Cie, Gle. Transatlantique (French Line).

To ANTWERP.—Gaasterdyk, early February; Glamorganshire, late February—both North Pacific Coast Line; Canadian Importer, C.G.M.M., Feb. 10.

To HAMBURG.—Gaasterdyk, early February; Glamorganshire, late February—both North Pacific Coast Line.

To ROTTERDAM.—Gaasterdyk, early February; Loch Gail, early February; Grootendyk, middle February; Glamorganshire, late February—all North Pacific Coast Line.

To HAVRE.—Glamorganshire, North Pacific Coast Line, late February.

To GENOA, LEGHORN, NAPLES AND TRIESTE.—Tagliamento, Navigazione Libera Triestina, Feb. 15.

To WEST INDIES AND EAST COAST OF SOUTH AMERICA.—West Cactus, Pacific-Argentine-Brazil Line, early February.

To WEST INDIES AND CARIBBEAN PORTS.—Arkansas, Feb. 20; Georgia, Feb. 28—both Cie Gle. Transatlantique (French Line).

To BAHIA BLANCA, MONTEVIDEO AND BUENOS AIRES.—Leikanger, Westfal-Larsen Co., late February.

From Halifax

To PLYMOUTH, CHERBOURG AND LONDON.—Antonia, Cunard Line, Feb. 22.

To HULL.—Comino, Furness, Withy, Feb. 15.

To LIVERPOOL.—Daytonian, White Star-Dominion, Feb. 12; Carmania, Cunard Line, Feb. 15; Sachem, Furness, Withy, Feb. 25.

To COBH (QUEENSTOWN).—Carmania, Cunard Line, Feb. 15.

To MANCHESTER.—Manchester Corporation, Feb. 8; Manchester Citizen, Feb. 13; Manchester Brigade, Feb. 22—all Furness, Withy; Daytonian, White Star-Dominion, Feb. 12.

To LONDON.—Incemore, Feb. 2; Comino, Feb. 15—both Furness, Withy.

To St. JOHN'S, Nfld.—Skipper, Feb. 5, Feb. 19; Sable I., Feb. 12, Feb. 26—both Farquhar SS.; Sachem, Furness, Withy, Feb. 25.

To BERMUDA, St. Kitts, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Chaudiere, Feb. 12; Chaleur, Feb. 26—both R.M.S.P. Co.

To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Forester, Feb. 6; Canadian Fisher, Feb. 27—both C.G.M.M.

To St. Kitts, Antigua, Barbados, Trinidad and Demerara.—Canadian Runner, Feb. 5; Canadian Volunteer, Feb. 19—both C.G.M.M.

To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, Feb. 24.

To SANTIAGO, KINGSTON AND MONTEGO.—Andalusia, Pickford & Black, Feb. 10.

To AUSTRALIAN PORTS.—Canadian Constructor, C.G.M.M., Feb. 27.

To NEW ZEALAND PORTS.—Canadian Miller, C.G.M.M., Feb. 25.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

H. R. Poussette. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

James Cormack. Address for letters—P.O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300. Office—Laidlaw Building, Szechuen and Nanking Roads, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Raboisen 8, Hamburg 1. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czecho-Slovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watermill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230; office, Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P. O. Box 683; Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

Straits Settlements

R. S. O'Meara, P. O. Box 121, Singapore. (Territory covers Straits Settlements, British Borneo, Netherlands East Indies, and Siam.) *Cable Address, Canadian.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia). *Cable Address, Sleighing, London.*

J. Forsyth Smith, Century Bldgs., 31 North John street, Liverpool. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales). *Cable Address, Cantracom.*

Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands). *Cable Address, Canadian.*

Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, February 6, 1926

No. 1149

TABLE OF CONTENTS

	Page		Page
Steamship Services between Canada and Cuba	161	Trade of the Irish Free State during the First Nine Months of 1925	185
Trade Commissioner E. L. McColl's Intended Visit to Peru	161	Tariff Changes and Customs Regulations:	
Summary of the Trade of Canada; Month, Nine Months and Twelve Months ending December, 1925	162	Prepayment of Newfoundland Duty on Advertising Matter	186
Pulp and Paper Trade of Bristol and South Wales	163	Greece removes Chemical Restrictions on Flour	187
Agriculture in the Irish Free State in 1925	166	Tenders Invited:	
Trade of Ulster—Part II	167	Australia	187
Sitka Spruce in France	170	New Zealand	188
Business Conditions in South Africa at the Beginning of the Summer Season	173	Trade Commissioner A. B. Muddiman's Forthcoming Visit to Canada	188
Trade of the Gold Coast during 1924 . . .	174	Dutch Consumption of Domestic Coal Increases	188
External Trade of South Africa during 1924—Part X	178	British Trade Commissioners in Canada . .	188
Cuban International Sample Fair postponed	182	Foreign Exchange Quotations for the Week ending February 7, 1926	189
Imports of Cotton Piece Goods and Other Cotton Goods into the British West India Colonies during 1924	182	Trade Inquiries for Canadian Products . .	190
Tariff Relations Between Canada and Other Countries	183	Proposed Sailings from Canadian Ports . .	190
		Commercial Intelligence Service	192

STEAMSHIP SERVICES BETWEEN CANADA AND CUBA

In addition to the recently inaugurated steamship service of the Canada-Cuba Line between St. John and Havana to which reference was made in *Commercial Intelligence Journal* No. 1147, of January 23, 1926, the Department regrets that it omitted to draw attention to the fact that Messrs. Pickford & Black, of Halifax, have maintained a direct service between Halifax and Havana and between Halifax and Santiago de Cuba since 1890.

The Pickford & Black steamers sail monthly from Halifax to Santiago de Cuba all the year round, while for ten months they make fortnightly sailings. As announced in the *Commercial Intelligence Journal*, among the proposed sailings from Canadian ports, the ss. *Caledonia* sails from Halifax on February 24 and the ss. *Andalusia* on March 10 for Santiago de Cuba. During 1925 this line had also twenty-two direct sailings from Halifax to Havana.

TRADE COMMISSIONER E. L. MCCOLL'S INTENDED VISIT TO PERU

Mr. E. L. McColl, Canadian Trade Commissioner, Buenos Aires, is expected to arrive in Lima, Peru, on March 1, 1926, on a special trade mission to that country. His journey is being undertaken for the purpose of investigating the possibilities for increasing Canadian-Peruvian trade. Canadian exporters who are desirous of initiating trade with Peru, extending present trade relations, or obtaining special information on this market should address Mr. McColl in care of the British Legation, Lima, Peru, forwarding full particulars, including best prices, c.i.f. Lima if possible, terms, time required to fill and ship orders, amounts available for export, etc. In addition latest catalogues should be forwarded.

SUMMARY OF THE TRADE OF CANADA: MONTH, NINE MONTHS, AND TWELVE MONTHS ENDING DECEMBER, 1925

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of December, 1925				Nine Months ending December, 1925				Twelve Months ending December, 1925			
	Total Imports	From United Kingdom		From United States	Total Imports	From United Kingdom		From United States	Total Imports	From United Kingdom		From United States
	\$	\$	\$		\$	\$	\$		\$	\$	\$	\$
<i>Imports for Consumption</i>												
Agricultural and Vegetable Products.....	20,151,563	4,120,108	10,164,048	153,036,689	26,260,229	72,069,870	196,041,785	33,468,502	91,588,525			
Animals and Animal Products.....	3,315,721	272,058	2,384,020	32,728,462	4,055,152	22,381,367	45,703,203	5,726,316	31,559,448			
Fibres, Textiles and Textile Products.....	14,874,039	4,917,785	7,690,256	131,627,485	50,520,316	56,297,032	179,906,158	71,363,008	75,540,374			
Wood, Wood Products and Paper.....	3,037,091	220,191	2,772,128	29,779,013	2,800,911	25,229,868	39,388,487	3,590,131	33,570,153			
Iron and its Products.....	12,073,187	1,060,232	10,364,199	131,656,976	14,314,663	113,131,017	166,573,076	18,143,912	143,636,500			
Non-Ferrous Metals and their Products.....	4,267,728	425,831	3,503,090	35,943,532	4,151,077	29,034,668	46,677,309	5,059,813	38,035,443			
Non-Metallic Minerals and their Products.....	12,337,185	952,989	8,208,458	109,146,221	11,234,834	86,320,834	138,110,676	12,883,089	111,880,844			
Chemicals and Allied Products.....	2,208,793	328,783	1,568,554	21,149,193	3,431,819	13,664,085	27,683,819	4,310,283	18,320,267			
Miscellaneous Commodities.....	4,502,981	847,286	3,114,998	40,756,292	6,208,247	28,728,467	50,212,835	7,563,126	35,614,526			
Total Imports, 1925.....	76,918,288	13,140,304	49,769,751	685,823,863	122,977,188	446,903,859	890,267,348	162,108,180	579,746,080			
1924.....	60,946,487	11,706,386	40,469,995	592,489,052	111,952,951	376,337,788	808,144,573	148,891,714	524,473,366			
1923.....	65,656,071	11,382,417	44,460,292	677,711,346	116,647,930	453,720,869	903,030,515	154,478,720	610,354,278			
<i>Exports (Canadian Produce)</i>												
Agricultural and Vegetable Products.....	110,160,098	81,451,710	9,715,066	486,233,419	301,382,812	53,326,421	562,449,287	336,510,355	61,100,779			
Animals and Animal Products.....	18,312,530	8,555,662	5,821,344	153,956,862	84,082,666	48,053,719	194,022,331	100,710,357	64,424,036			
Fibres, Textiles and Textile Products.....	758,065	386,349	386,511	7,358,321	1,068,043	3,963,520	9,445,869	1,588,343	4,866,168			
Wood, Wood Products and Paper.....	23,943,609	1,532,017	19,768,968	209,773,984	16,727,091	177,560,712	273,725,823	19,047,362	234,589,502			
Iron and its Products.....	7,751,519	970,934	736,006	53,249,284	6,565,836	5,193,723	69,481,468	7,843,059	6,769,791			
Non-Ferrous Metals and their Products.....	9,673,896	1,770,471	5,473,906	75,470,833	12,110,592	47,374,954	103,709,496	17,770,420	64,872,593			
Non-Metallic Minerals and their Products.....	2,302,708	67,235	1,465,229	19,077,402	896,171	13,029,374	24,343,120	1,368,613	16,598,966			
Chemicals and Allied Products.....	1,557,920	177,725	872,776	12,812,496	2,726,978	6,406,082	17,451,254	3,651,533	8,336,941			
Miscellaneous Commodities.....	1,494,883	337,528	921,827	12,765,314	2,355,410	8,322,567	16,358,206	3,836,945	10,046,378			
Totals, 1925.....	175,555,228	94,941,631	45,162,233	1,030,697,915	427,915,599	363,231,672	1,270,986,854	492,334,687	472,274,816			
1924.....	124,429,462	60,638,693	42,711,339	828,778,414	331,424,345	308,374,000	1,058,057,898	397,208,752	412,941,581			
1923.....	123,880,430	60,802,173	38,354,488	816,071,572	304,273,375	326,139,957	1,014,944,274	360,783,279	422,058,940			
<i>Exports (Foreign Produce)</i>												
Totals, 1925.....	843,699	77,742	640,819	9,349,042	747,473	7,624,502	12,111,941	1,073,897	9,854,243			
1924.....	47,468	889,856	9,531,391	9,531,391	998,191	7,537,758	7,537,758	1,253,389	10,012,301			
1923.....	1,032,692	76,687	882,298	10,389,914	847,822	8,460,819	13,584,849	1,105,779	10,811,013			
<i>Excess of Imports (i) or All Exports (e)</i>												
1925.....	(e) 99,480,839	(e) 81,879,069	(i) 3,966,699	(e) 354,223,094	(e) 305,685,884	(i) 76,047,685	(e) 392,831,447	(e) 331,300,404	(i) 97,617,021			
1924.....	(e) 64,516,567	(e) 48,979,775	(e) 3,131,199	(e) 245,820,753	(e) 220,469,582	(i) 61,026,030	(e) 262,467,043	(e) 239,570,427	(i) 101,519,481			
1923.....	(e) 59,259,656	(e) 49,496,443	(i) 5,223,506	(e) 148,750,140	(e) 188,473,267	(i) 119,120,093	(e) 125,498,608	(e) 207,410,338	(i) 177,484,325			

PULP AND PAPER TRADE OF BRISTOL AND SOUTH WALES

TRADE COMMISSIONER DOUGLAS S. COLE

I

Bristol, December 30, 1925.—Those Canadian mills producing pulp and paper that are engaged in export trade to the United Kingdom are strongly represented in England and their agents thoroughly cover the West of England and South Wales.

The imports will deal with the innumerable commodities involved under five general headings, viz: newsprint, chemical pulp, mechanical pulp, packing and wrapping paper, and board.

Only those products of most interest to Canadian mills have been dealt with as the total commodities under the heading pulp and paper are legion.

NEWSPRINT

To express an opinion on the newsprint market in the West of England and South Wales is an invitation to discuss the world situation governing newsprint supply and demand.

Canada's rapid rise to prominence as a producer and exporter of newsprint has been nothing short of phenomenal. Reports indicate that 1926 will establish another record output of newsprint with no indication of over-production causing a glut on the market and consequent cutting of prices.

Due to decreased United States production and decreased Scandinavian imports into the United States, it would not appear that the surplus available for export to the United Kingdom will be large.

On the other hand, any opening of the Russian market might conceivably cause a shortage in England of newsprint supplies from Finnish and Swedish sources over and above what the English mills can themselves supply.

In so far as the West of England and South Wales are concerned it may be accepted as correct that owners of rings of allied newspapers will always give the preference to Canadian newsprint over Scandinavian supplies, provided quality and price are equal. First preference is always given to English mills, which, however, can supply only a percentage of the huge consumption.

The above statements have been made on many occasions to the writer, both in private and on public occasions. Nowhere is the Empire sentiment stronger than in the Bristol area. It is a pleasure to report that during 1925 orders for Canadian newsprint tonnage have been placed both in South Wales and the West of England at prices competitive with Scandinavian quotations. If substantial contracts are not placed for 1926 delivery it will be entirely owing to Canadian prices being too high.

In April, 1925, Scandinavian newsprint contracts were placed at £17 5s. c.i.f. United Kingdom port. These compared with the English Association fixed price of £18 10s. d/d. At time of writing it is understood the Scandinavian price has been slightly reduced, as has the English Association price. (The Scandinavian price on January 5, 1925, was £16 10s. c.i.f. Bristol.) If Canadian mills can see their way clear to maintaining a price level, equal to or slightly above that asked for supplies from Scandinavia, a substantial tonnage of Canadian newsprint to Avonmouth and Cardiff will be recorded in 1926.

It should be noted that prices given for April, 1925, were somewhat higher than normal and were brought about by strikes. At that time English newspapers were receiving their supplies on contracts placed earlier at £16 10s. to £16 17s. 6d. per ton c.i.f.

English prices are controlled by an agreement between the manufacturers and depend, in part, on Continental quotations. The advantage of buying from

English sources despite the higher price is the elimination of all overhead charges which must be added to Scandinavian c.i.f. prices. These charges are approximately 15s. 3d. per ton and are made up as follows, for Avonmouth:—

Dock dues .. . . .	..Per ton	2s.	8d.
Shed dues .. . . .	..Per ton	0s.	1d.
Customs .. . . .	..Per shipment	5s.	0d.
Delivery into stores .. . . .	..Per ton	2s.	9d.
Taking into stores .. . . .	..Per ton	1s.	0d.
Taking out of stores .. . . .	..Per ton	1s.	0d.
Delivery to newspaper office .. . . .	..Per ton	2s.	9d.

As a rule the English price is free delivered into storage, so only the last two items need be added to the d/d. price.

Motor transport delivery has been brought to such a fine point in England that deliveries may be arranged almost daily and direct from the English mill.

Weights required for West of England papers are 14 to 16 pounds demy and are akin to Canadian usage. Take for instance an important Birmingham daily paper, with several allied papers. Their requirements are, briefly, substance 16 demy, size 40-inch reels; 82 pounds of paper to produce 1,000 40-inch by 26½-inch sheets. This group of allied papers are heavy consumers of newsprint and are keen to obtain their supplies from Canada rather than Scandinavia.

Those Canadian mills already in the English market are strongly represented in London and their representative has several times visited the West of England and South Wales this year. This group of Canadian manufacturers are so well posted it is futile to offer any advice; but to those unrepresented the Bristol office will be glad to advise and help in any way possible. The writer has made a point of meeting and personally knowing the buyers or managing directors of many important newspaper groups in this area and has been of assistance in bringing initial shipments of Canadian newsprint to Bristol during 1925.

ALLEGED DUMPING

For some months past a prominent English paper-trade journal has been attacking "American" paper mills for alleged dumping of newsprint on the English market by at least 30s. per ton. In full-page propaganda they have announced on more than one occasion that this newsprint is being sold in England at an equivalent f.o.b. mill price of £13 10s., compared with their domestic price of £15. They associate Canadian mills with this "American" dumping.

CHEMICAL PULP

Canadian bleached chemical pulp is being experimented with by a large firm of artificial silk manufacturers in the West of England. A recent 200-ton shipment arrived during November at Avonmouth, and there is the possibility that Canada may find a further market for her chemical pulp in this growing and already large industry.

In addition to the demand for sulphite pulp for newsprint manufacture there is a market for it in the manufacture of all classes of printing paper. These printings use no ground wood as a rule, but only rags and chemical pulps.

As regards prices, the existing market is high, and prices for a good class easy bleaching sulphite for prompt delivery vary from £14 17s. 6d. to £15 c.i.f. Bristol. For forward shipment for the early part of 1926 about 5s. per ton lower is being quoted from the Continent.

Bleached sulphites are steadier in price and run from £18 to £19 10s. c.i.f. Bristol, according to the quality. The prices quoted above for easy bleaching sulphite do not appear to represent an economical market price such as will be reached again when supplies come in and the present shortage is again filled up.

Several brands of Canadian pulp are well known to this market. These have in general proved satisfactory, although one well-known paper manufacturer states that our supplies do not compete with the best Scandinavian pulps for cleanliness and colour. With this opinion the writer does not concur.

Strong sulphite is being quoted at £13 10s. per ton (2,240 pounds) c.i.f. Bristol Channel ports. The above prices are from 20 per cent to 30 per cent more than those ruling six months ago.

SHIPPING IN ROLLS DISLIKED

An objection to the Canadian practice of shipping sulphite in rolls has been expressed by one group of mills. They state:—

Scandinavian mills pack their pulp in bales of uniform weight, whereas the Canadian rolls are irregular in weight. This makes it practically impossible to make an accurate test of the pulp on arrival for excess moisture, and we feel sure if the Canadian mills would generally adopt the cutting of the pulp to sheets and pack in uniform bales, it would be of great assistance to them on this market.

The above mills would like quotations from Canadian firms for about 5,000 tons strong sulphite and 5,000 tons easy bleaching sulphite per annum.

MECHANICAL PULP

Scandinavia is the chief source of raw material for English newsprint mills. Ground wood-pulp represents the chief constituent of newsprint, representing 65 to 70 per cent of the finished article, whilst sulphite forms the balance. As regards the former, Canadian shipments of ground wood are intermittent, and a typical case is recalled when a shipment of 5,000 tons Canadian ground wood was contracted for July shipment 1924. In May of that year the English buyers advised the writer that they could buy the same grade of pulp at 12s. 6d. per wet ton less than was paid the Canadian exporter. In other words, prices had fallen rapidly in the past six months and Canadian ground wood could not stand the sharp decline owing to the heavier shipping rate. Prices have been fluctuating considerably during the past year. In April this year English mills were paying as low as 67s. 6d. per long ton (2,240 pounds) c.i.f. United Kingdom port for Scandinavian, but to-day they are paying 75s. c.i.f.

CANADIAN GROUND WOOD 1926 CONTRACTS

At this price Canadian ground wood is definitely competitive, and 1926 delivery contracts have been made in some cases on this basis. January to March are the months most suitable, as the Baltic is icebound, and Norwegians are asking 85s. c.i.f. Contracts are based as a rule on wet pulp containing 45 to 50 per cent moisture.

It is an open secret that certain English mills control Scandinavian timber limits and ground wood mills. Considering this factor and also the 3,000-mile haul from Canada, it is all the more remarkable that Canada is in a position to export to the West of England and South Wales.

Every effort is being made in South Wales to keep dock and delivery charges down to a minimum for pulp shipments, and a definite step in this direction has been made at Cardiff by an arrangement between the Canadian Government Merchant Marine and the Great Western Railway, which latter control South Wales ports.

OPPORTUNITY FOR CANADIAN PULP

A group of paper mills in the West of England that use 6,000 tons of moist ground wood-pulp and 10,000 tons of sulphite per annum want quotations from Canadian sources, but state that the great difficulty in dealing with Canadian shippers is the question of shipment.

Owing to the situation of their mills they are compelled to get their shipments in comparatively small cargoes of 1,000 to 1,200 tons. They will not ship through the port of Bristol, as they claim the costs are so excessive as to render it impossible. (This charge is under investigation.) During the war they imported Canadian pulp via Southampton or London, paid heavier carriage to their works, and still saved money. The name of the above firm may be obtained on application to the Department of Trade and Commerce, and a list of the principal newsprint manufacturers in the United Kingdom is also obtainable (quote file No. T/C.-6-101).

AGRICULTURE IN THE IRISH FREE STATE IN 1925

ACTING TRADE COMMISSIONER A. F. MACEachern

Dublin, December 31, 1925.—The prosperity of the Irish Free State is, at the present time, wholly dependent upon agricultural enterprise, and principal amongst the measures which have been taken by the Government within the past few months with a view to regaining ground in foreign markets are: (1) the decision to establish the beet sugar industry in the Free State; (2) the bringing into force of the Eggs Act, which has already had a beneficial influence upon prices received in England; and (3) the Dairy Produce Act, which is designed for the improvement of the standard of Irish Free State butter.

Following adverse weather conditions during the previous two summers, the weather during the spring of this year was also unfavourable to crops in general, but a decided improvement early in June, which continued until mid-October, made possible the better than average harvest of 1925. Average yields were obtained in cereals and the grain generally was of good quality. More winter wheat has been sown this season, and, as in the case of barley and oats, efforts are being made by the Plant Breeding Division of the Department of Agriculture to improve varieties cultivated. The potato yield was above normal, with very little disease, and growing crops were inspected by the Department of Agriculture, with a view to increasing the trade in seed potatoes, with the result that over 2,000 acres were certified as "pure," as compared with 204 "pure" acres in 1922. Money was also provided by the Government for the purpose of making loans to small farmers for the buying of spraying machines, and some 3,700 of these machines were purchased during 1925. Some £51,000 was expended by the Government last spring in distributing seed potatoes to over 40,000 small holders.

THE SUGAR BEET INDUSTRY

As a result of an arrangement entered into between the Government and the Moerbeke Sugar Factory and Refinery, together with the Banque d'Outremer, Brussels, a beet sugar factory is to be established at Carlow, which is expected to be in operation in October next. Farmers in the Carlow area have contracted with the company to grow 6,000 acres of sugar beet next season, and the results of 400 experiments carried out, in Free State centres, on plots of one acre each last season auger well for the future expansion of the industry.

FARM PRODUCE

Last season's hay crop was light, and although the flax yield was a fair one, prices were disappointing. Drought in the summer months resulted in turnips not bulbing well, and the growth of mangels was retarded owing to attacks of the fly.

Under the provisions of the Agricultural Produce (Eggs) Act the premises of exporters must now be registered and open to inspection, and eggs must be clean, fresh, properly graded and packed, and no bad or dirty eggs may be

offered for sale. Offenders may be penalized under the Act, even to the extent of losing their export licenses. There are now 469 merchants registered as egg exporters in the Free State, and the confidence inspired in British buyers through the enforcement of this Act is reflected in the increased prices now being received for Free State eggs.

The Dairy Produce Act, as applied to butter, is divided into five parts: (1) cleanliness and order; (2) export of butter; (3) registration of premises; (4) national mark for butter; and (5) general. Parts 1, 3, and 5 of the Act are now in operation, and it is the intention to enforce the provisions of part 2 within the next few months. The enforcement of part 2 will mean that no butter may be exported except from premises registered under the Act, the only exemption from this condition being for such small lots as may be sent through parcel post.

LIVE STOCK

Cattle in the Free State were put on pasture in poor condition following the bad winter of 1924-25, and the grass lacked fattening capacity. As a consequence, a very large number of poorly finished cattle were offered for sale in the autumn. Again disease outbreaks were abnormal, and increased landings of Canadian cattle at British ports had a further weakening effect on Irish fat cattle values. For purposes of export a marked disinclination to purchase heavy, coarse-bred, fat cattle was evidenced, the demand being strongly favourable to two-year-old cattle scaling from 900 to 1,000 pounds. To supply this demand much interest is now being centred in experiments with "baby beef" cattle now being conducted in Wexford. Heavy losses from "fluke" affected the sheep trade to a considerable degree, while prices for pigs maintained a generally satisfactory level throughout the year. Young horses suitable for hunters, and made hunters, were generally in good demand. Prices of made hunters ranged from £100 to £200, while "troopers" brought anywhere from £30 to £50 each.

THE TRADE OF ULSTER

TRADE COMMISSIONER G. B. JOHNSON

II

WOOD AND TIMBER

Boards and Deals.—Total imports, £524,000; direct imports, £508,000, of which Canada supplied £200,000 worth, Sweden £128,000, Czecho-Slovakia and Latvia £41,000 worth each, and Esthonia £32,000 worth.

Pitwood and Propwood.—Total imports, £22,000; direct imports, £22,000, of which Russia supplied £10,000 worth, Norway £4,000 worth, and Canada £3,000 worth. If the Dominion can compete to this extent in Northern Ireland, there does not seem to be any reason why Canadian shippers should not be able to get a share of the large business done in Scotland, where many pitwood importers are eager to obtain Canadian sources of supply in preference to foreign. It would be interesting and useful to learn the source of these Canadian shipments.

Sleepers (Railway Ties).—Total imports, £42,000; direct imports, £35,000, of which £32,000 worth came from Latvia. It is understood that considerable quantities of Canadian sleepers of Douglas fir are now used by the British railways.

Timber.—Total imports, £228,000; direct imports, £194,000, of which the United States was the largest contributor with £121,000 and Canada second with £36,000 worth. It is not clear what the term "timber" includes unless it means all timber of a heavier class than boards and deals, with the exception of sleepers.

While Belfast shipbuilding remains quiet, the building of houses is booming. It is the case that Douglas fir is going to Belfast to a considerable extent, and some interest has recently been aroused in western hemlock. Ready-made doors of the latter wood, which are being imported into Great Britain in large numbers from a Puget Sound port are also being used in Belfast, where they cost 8s. each c.i.f. A better door of Douglas fir from another Puget Sound port is being brought in at 10s. 6d. each. These prices seem almost impossible to compete with. The doors made of United States western hemlock are described as grey fir. Wooden silos made of Douglas fir from British Columbia are being brought into Northern Ireland in some numbers. There is a market in Ulster for broom handles and handles for agricultural tools, and for other classes of woodenware if prices are competitive. The trade in box shooks does not appear to be a very large one, but might be worth going after for whisky cases. So far as linen is concerned, as most of Ulster's linen exports go to the United States, the boxes which are made in that country and used by linen exporters have no duty charged by the United States Customs.

TEXTILE MATERIALS (MAINLY UNMANUFACTURED)

Flax.—Total imports, £2,837,000; direct imports, £2,691,000, of which £1,647,000 worth came from Belgium, £560,000 worth from Latvia, £270,000 from Holland, £159,000 from Esthonia, and £26,000 worth from Canada. During the present year Russia has come back strongly into the market. Further information concerning the linen industry and flax is given later in this report.

Hemp.—Total imports, £796,000; direct imports, £167,000, of which Italy supplied £76,000 worth and Belgium £68,000 worth. These figures are given in view of production possibilities in Western Canada, regarding which it is believed to have been proved that that part of the Dominion is capable of producing good qualities of hemp.

Tow or Codilla.—Total imports, £1,007,000; direct imports, £678,000, of which Belgium supplied £173,000 worth, Russia £156,000 worth, Esthonia £152,000, Latvia £121,000, Holland £32,000, United States £9,000, and Canada £8,000 worth.

PAPER-MAKING MATERIALS

Wood-pulp.—Total imports, £200,000; direct imports, £199,000, of which £146,000 came from Sweden, £30,000 from Finland, and £22,000 from Norway. There are three paper manufacturers in Northern Ireland with an installation of eight machines.

MISCELLANEOUS RAW MATERIALS

Fibre.—Total imports, £16,000; direct imports, £6,000, of which £3,000 worth was sent from Belgium, £1,000 worth from Holland, and £1,000 worth from Canada.

SEEDS

Clover.—Total imports, £28,000; direct imports, £13,000, of which £9,700 worth came from Canada and £1,800 from the United States.

Flax.—Total imports, £121,000; direct imports, £117,000, of which Latvia, Holland, and Esthonia were the principal suppliers.

Grass.—Total imports, £53,000; direct imports, £18,000, of which £12,000 worth came from the United States, £3,600 worth from Canada, and £1,300 worth from Germany.

Other Seeds (except hemp).—Total imports, £33,000; direct imports, £13,000, mainly from Argentina and Holland. Canada supplied a small amount.

ARTICLES WHOLLY OR MAINLY MANUFACTURED

Asbestos.—Total imports, £6,000; direct imports, £3,700, of which Belgium supplied £2,500 worth and Holland £900 worth.

Lead and Lead Piping.—Total imports, £89,000; direct imports, £34,000, of which Australia supplied £11,000 worth, the United States £13,000 worth, and Belgium £5,700 worth.

Gutters, Pipes and Bends.—Total imports, £15,000; direct imports, £14,900, of which France supplied £10,000 worth, the United States £3,500, and Canada a small amount.

Lamps.—Total imports, £6,600, of which Germany supplied £1,500 worth, the United States £450, and Canada £370.

Iron Wire.—Total imports, £47,000; direct imports, £29,000, of which Belgium supplied £16,000 worth, Germany £6,800, Holland £2,000, the United States £1,900, and Canada £1,300.

Forks and Rakes.—Total imports, £6,700; direct imports, £3,400, of which Canada supplied £2,900 worth and the United States £500 worth.

Spades and Shovels.—Total imports, £8,200; direct imports, nil.

Other Agricultural Implements.—Total imports, except scythes, £64,000. Canada supplied none of these by direct shipment, which amounted to £500.

Furniture.—Total imports, £409,000; direct imports, £8,000, of which Canada shipped about 10 per cent, Czecho-Slovakia and Austria being the principal competitors.

Splints and Skillets.—Total imports, £12,800; direct imports, £12,800, of which Canada supplied the whole.

Boots and Shoes.—Total imports, £1,362,000; direct imports, £6,200, of which Germany supplied £4,300 worth. It is interesting to note that Canada supplied twice as much in value as the United States with £930 worth as against £430 worth. Of course most of the boots and shoes imported into Ulster are made in Great Britain.

Other Apparel.—Canada supplied by direct shipment small amounts of hosiery, drapery and haberdashery, and other apparel.

Leather.—Total imports, £421,000; direct imports, £2,400; Canada was the largest shipper with £970 worth.

Paper.—Total imports, £303,000; direct imports, £79,000, of which Germany supplied £31,000 worth, Sweden £29,000, Norway £3,600, Finland £7,000, Belgium, £2,600, and Canada £1,000.

Cardboard.—Total imports, £10,000; direct imports, £10,000, of which Canada supplied £6,900 worth and in which other countries took a small share of less than £900 each.

Millboard.—Total imports, £31,000; direct imports, £7,600, of which Canada and Sweden supplied equal quantities whose value was £2,500.

Strawboards.—Total imports, £23,000; direct imports, £22,000, of which Holland supplied the whole.

Motor Cars.—Total imports, £1,166,000; direct imports, £11,900, of which France supplied £6,200 worth, the United States £2,600 worth, and Canada £1,500 worth.

Starch.—Total imports, £27,000; direct imports, £20,000, of which Holland supplied £10,000 worth, the United States £4,600, and Belgium £3,800 worth.

India-rubber Goods.—Total imports, £302,000; direct imports, £700, shared by Germany and the United States.

NOTE.—The figures for imports of raw tobacco are not available.

SITKA SPRUCE IN FRANCE

TRADE COMMISSIONER HERCULE BARRÉ

Paris, January 2, 1926.—A fairly exhaustive inquiry has brought out the fact that there are not many firms in France importing aviation spruce, and the few engaged in this business are not altogether pleased with the results obtained. They state that the small profits realized are hardly worth the trouble incurred, whilst losses have frequently followed imports of spruce. These few importers go to London to select the wood on the spot for every order they receive, though a few direct orders are still being placed with American shippers. A contract with an American shipper was shown by an importer granting him a very low price on all rejects exceeding 5 per cent of the total shipment. The trip to London to make selections on the spot is costly and cumbersome, and would gladly be dispensed with; but it has been rendered inevitable by the very loose grading of American and Canadian shippers in the past. Owing to the adverse rate of exchange, the highest grade of aviation spruce (British aerograde) is out of the question for the present. French builders use the second best. Although a large amount of the latter is still being used, a tendency has developed to favour metal, though the latter does not seem to give the same satisfaction as spruce, if one may judge from some remarks made by builders in the course of this inquiry. Owing to the impetus gained by the French aeroplane industry, thanks to orders from the French and other Governments, the demand for spruce is still a very good one, though it is not quite so large as it would be to-day had it not been for the twin influence of unreliable grading in the past and present depreciation of the franc. For all that, it is still a most desirable market; one which would steadily increase if the wishes of French importers for reliable grading and reasonable prices could be met.

Business connections will have to be developed with wood importers who supply aeroplane builders, as the latter now insist upon quotations for goods delivered to their works. They will not consider direct imports, owing to past experience in the matter of grading.

The director of one of the big firms of aeroplane builders expressed a keen wish to use none but Canadian sitka spruce, or silver spruce as he called it, if they could get it at the right price and of the right quality. He made the suggestion that Canadian interests would have a first-class chance of capturing the French market, and checking the use of metal, if they could see their way to hold stocks of aviation spruce near Paris, close to the district where most aeroplane builders have their works. He explained that the present method of ordering far in advance of requirements is not satisfactory to the industry. It leads to the disadvantage of either getting too much or too little spruce, because builders are to a certain extent unaware as to what their actual requirements will be at any given date. This factor seems to be working in favour of metal, even more than the factor of price. Local manufacturers of metal parts hold stocks and can execute orders at a few days' notice. As the French aviation industry is growing rapidly, the suggestion is perhaps worth considering by our shippers though it is obvious that great care would have to be exercised in carrying out the scheme; at any rate it might not be a feasible one so long as the rate of exchange has not been stabilized. To this objection the director who made the suggestion replied that prices for stocks held in Paris could always be quoted in sterling, now stabilized, and therefore a sound basis upon which to work.

If such a suggestion could be carried out by a combination of big Canadian interests, a permanent and growing connection would be developed in France for Canadian woods, not only sitka spruce, but maple, rock-elm, birch, etc. These other woods, however, do not seem to have much of a chance whilst the rate of exchange is unfavourable to France. The pro-Canadian feeling is strong

and spontaneously expressed wherever one goes in France, and in all trades buyers readily state that, all things being equal, they would rather buy from Canada than from any other country. The part played by Canada during the war has made a deep and lasting impression in France. But if we are to reap the full benefit of this friendly feeling and goodwill, it is evident that Canadian goods must be brought to French buyers.

A one-time heavy importer of sitka spruce explained why his firm had practically dropped out of the business. They would enter into contracts with French aeroplane builders for given quantities of spruce, and would enter into contracts with American or Canadian shippers for those quantities; but when shipments arrived there were so many rejects that heavy losses would ensue. Builders naturally insisted upon receiving the quantities ordered, and the importer had no option but to go to London and buy the shortage at enhanced prices. The rejects of sitka spruce command a low price in France; something like 125 francs per 1,000 feet board measure. Another firm of wood importers gave the identical explanation why they kept away from the aviation spruce business.

The manager of an importing firm, whose purchases in London last year were over a million and a quarter feet board measure of sitka spruce, expressed a real desire to open up connections direct with Canadian shippers. He offered to prepare a statement on the sitka spruce situation in France, and to define the grade which would be acceptable to French builders, to be known as *French Aero-grade*. He added that he would willingly receive, on consignment, say five standards (about 10 M feet B.M.) each of British Aero-grade and French Aero-grade, the latter as defined by him, c.i.f. LeHavre. If these specimen lots were properly graded, he would dispose of them and follow with definite orders. He added that if his confidence was won by the reliable grading of those subsequent shipments, he would not hesitate to go to Vancouver and make arrangements personally with shippers, training some one over there in the fine points of French market requirements. This, he was confident, would eventually secure practically the whole French trade for Canadian sitka spruce.

His offer of a written statement was accepted and the following is a copy of his letter setting forth the requirements for silver or sitka spruce on the French market:—

Just after the war, and during the year 1919, all the French aeroplane factories had very few orders to fulfil, and the supply of silver spruce on hand was quite sufficient for their requirements. But, in 1920, new orders were received, and the manufacturers were on the market for silver spruce. Consequently, the importers sent orders to the Pacific Coast, and received parcels of No. 2 Clear and Better, which was the only classification available at that time.

These parcels have not been satisfactory, because they contained too great a percentage of rejects. However, in 1921, the shipments seemed to be slightly better, although not of a sufficient quantity for our market. But, from 1922, when the American and English manufacturers started on the market, the quality became worse, the American mills sending us all the rejects of the selections made over there. The consequence was that all the French manufacturers complained of the great loss in the cutting of the lumber, and we had to study the possibility of an improvement in the quality.

This has never been an easy matter, because, owing to the fall of the franc, we cannot afford the very best quality, and we must be content with a medium quality, which does not yield too many rejects. We therefore made out a sort of *French Aero-grade Quality*, which is intermediate between the No. 2 Clear and Better and the "aeroplane quality" as described in the United States Army specifications.

We will attempt to describe this *French Aeroplane Quality* as clearly as possible, but this is evidently not an easy matter, because we have to explain fully all the defects we allow, and to what extent these defects affect or do not affect our manufacturing.

DESCRIPTION OF "FRENCH AEROGRADE"

Sizes.—Although we are not keen on it, we can use a small percentage of 2 inches and $2\frac{1}{2}$ inches in thickness, but not more than 5 per cent, the balance being 3 inches to 6 inches.

For lengths, we also allow 10 to 15 per cent of 12 feet to 17 feet, the balance being 18 feet to 40 feet, with an average of about 22 feet.

For widths, we agree to the general sizes of 6 inches to 12 inches, or wider.

Of course, the importance of the defects described below must vary greatly according to thickness, width, and length.

Grain.—We prefer all edge grain, but we can accept about 15 per cent of flat grain in 5 inches thick and up; we do not like the 3 inches or 4 inches in flat grained, because they are inclined to split on the journey to Havre, and this gives a loss in the yielding.

The width of grain must not be beyond six rings to the inch, but in the case of wide grain the texture must not be doubtful at all.

As for deviation, it must not exceed 1 in 12 on half the section and 1 in 16 on the other half, because 1 in 12 on four sides renders the piece practically useless. Of course, when the piece is very cross grain on one edge, but leaving about 80 per cent of the piece with deviation not exceeding 1 in 16 or 15, this can be accepted.

Texture.—This is evidently very important, all silver spruce being used for making aeroplanes. We therefore require the good texture, i.e. strong, woolly, fibrous. But all the same we are not quite so exacting as the British or Canadian specifications.

However, any piece that is corky or very hard, or of very irregular grain (alternately coarse and fine grain), must be completely avoided.

If by chance the grain is only coarse and hard (which is the defect of irregular width of grain) on one-fifth of the width of the piece, but on one edge and not in the middle of the width, we accept such defect, so long as we get about 80 per cent of sound wood.

Pitch pockets.—Pitch pockets when they are on a line, showing on both faces, are an undoubtful sign that they go right though all the piece, and cannot be accepted at any cost, even if the piece is otherwise perfect from every other point of view.

When pitch pockets show only two small openings (about 2 or 3 inches long) on a line, or distant, but only on one face, it is to be hoped that they do not go through, and such piece can be accepted.

One very large pitch pocket is generally less detrimental to the cutting than two or three small ones, especially when they show on both faces.

Often a piece shows a red stain which is an indication of gum underneath; of course, if this stain is slight, we can accept such a piece, but when such stain is strongly marked, and 1 inch or 2 inches long, such piece must be rejected.

Curls.—When curls show on one face, and that the edges detect that the depth of deviation is not beyond one-third of the thickness, this is accepted.

Two curls as described above can be accepted on a long length, if they leave at least 16 feet cutting between them, and if they are on the same face.

Knots.—Knots are evidently the worst defects to deal with, because they are more frequent than any other defects, the whole question being how they are placed, and what damage they do round them. Their size and damage must also be considered in proportion of the thickness, width, and length of the piece, and all these factors render very difficult, if not impossible, a precise description of the limit of such defects.

We think the best way out of it is to allow knots which leave all the same 80 per cent of sound cutting in which we can get long pieces (from 16 feet to 18 feet by 5 inches by 2 inches), and which represent about 60 per cent of the total plank.

General Remarks.—From the above descriptions it may be concluded how difficult it is to explain on paper exactly what we can accept and what must be rejected. The inspector who selects a parcel may get a good idea of what we require in reading the above descriptions, but all the same he must use his own judgment.

For instance, all defects are given to their limit, but of course it would not be fair to select only all pieces that are just within the limit of such defects; also it is evident that one piece cannot contain several various defects at the same time, even if such defects are within the limits allowed.

A piece that has two pitch pockets, one curl, and two knots must be rejected, because it would be difficult, with these defects, to get good long and sound cuttings.

In short lengths, i.e. below 16 feet, the piece must be practically perfect, because, in accepting long defective pieces, we get all short cuttings in them.

If a classification answering the above description could be made to our satisfaction we think we could have it accepted by all the French manufacturers with whom we are in connection, and that it would be advantageous to Canadian shippers.

We therefore suggest that a small shipment of about five standards of the above classification should be forwarded to us on consignment at the best price obtainable, and we also suggest that another parcel of five standards of the "aeroplane" stock which is sold in Canada should also be included at the best price; and we are sure both consignments could be easily disposed of quickly, if the price is reasonable. Then we would have a good idea of what we could get from you, and we would place orders accordingly.

Such is the proposition of this firm, one of the most important in France, dealing with practically all the aeroplane builders. They suggest, in fact, that

when shipments are made the shipper should make an honest effort to place himself in the position of French users, and make his selection accordingly. The *French Aerograde* specification should be studied carefully and interpreted in a broad sense of giving not the minimum specified, but the maximum quality possible within the range of the specification. If the suggestion of a consignment of two lots of five standards were to be favourably considered by some of our firms, the greatest care should be taken to understand fully the description of *French Aerograde*. It would be best, if not quite clear about any point, to communicate with the author of the suggestion and elicit from him fuller details. Once the consignment has been made up, and turns out a success at this end, the same quality should be consistently maintained in following shipments. A departure from this very important commercial standard would inevitably bring the business to an end, and blight the prospects of Canadian shippers not only of sitka spruce, but of many other commodities as well.

French buyers order spruce and other woods by cubic metre. There are 2,359 cubic metres per 1,000 feet board measure, and 4,672 cubic metres to the British standard. One cubic metre is equal to .424 feet board measure.

The actual market price for "French aerograde" described in the above report is now £33 to £35 per 1,000 feet board measure c.i.f. Havre. The freight is about £4 10s. per 1,000 feet, which would make it f.o.b. Vancouver about £28 10s. to £30 10s.

BUSINESS CONDITIONS IN SOUTH AFRICA AT THE BEGINNING OF THE SUMMER SEASON

TRADE COMMISSIONER G. R. STEVENS

Cape Town, December 11, 1925.—The general trend of business during the past month has been upwards, due to the arrival of receipts from wool and maize crops. Buying is freer, and all conditions point to a steadily increasing volume of trade during the next few months. Wool prices are temporarily weaker owing to reduced Continental inquiries, but the improved positions of the English textile industries is expected to react upon this commodity in the near future. The maize crop will exceed the original estimate of 10,000,000 bags, and the congestion of the railways caused by the seasonal rush of this cereal is now over. Prices are quite firm and the crop can be regarded as successful.

For other agricultural crops, conditions are in the main favourable. Both pasturage and cultivated land is in good condition, and in most areas the rainfall is satisfactory. The cotton crop is estimated at 20,000 bales. There will be approximately 60,000 tons of sugar for export. On the mines, the continued shortage of native labour, allegedly on account of the refusal of the Union to permit the importation of contracted Mozambique labour, is reflected in the low record gold production of October. There has been considerable depression in mines buying, but it is not possible to say whether on this account or as the aftermath of the platinum speculation. The coal industry has been relatively stagnant because of the shortage of trucks, which have been enlisted in the grain service.

The next session of Parliament will convene on January twenty-second, but no legislation of particular concern to business interests is foreshadowed. The native question will probably be the paramount consideration of this session. No particular alterations in the tariff are anticipated. It is probable that certain income tax ameliorations will be introduced.

TRADE OF THE GOLD COAST DURING 1924

TRADE COMMISSIONER G. R. STEVENS

Cape Town, December 24, 1925.—The annual report of the Customs and Marine Departments of the Gold Coast for the year 1924 is on hand, and this exceptionally complete compilation shows that British West African colony has prospered during the period under review. There is a net decrease in Customs revenue during 1924, but this was entirely due to the reduction of the export duty on cocoa from $\frac{1}{2}$ d. per pound to $\frac{1}{4}$ d. per pound. The only other source of revenue which shows any material decrease was the import duty upon cotton piece goods, a trade which experienced a slack year in this market.

In commenting upon the general conditions throughout the period under review the Collector of Customs states:—

The trade conditions in the colony throughout the year were satisfactory, having regard to the average low price obtained for cocoa by the local farmers during 1923 and during the first nine months of 1924, when f.o.b. prices were lower than in 1923, and because of the fact that the prices of imported foodstuffs and articles of clothing had rather an upward tendency than otherwise during the year. At the beginning of 1924 the cost of living index number as compiled by the British Minister of Labour averaged approximately 77 per cent above the level for July, 1914, the index number on January 1, 1925, being 80 per cent above 1914, or three points above what it was twelve months previously.

TRADE BALANCES

The balances of trade for 1923 and 1924 were as follows:—

	1924	1923
Imports	£8,315,234	£8,448,862
Exports	9,914,937	8,959,213
Favourable balance of trade	1,599,703	510,351

SHIPPING

There was an increase in the number and tonnage of shipping which entered and cleared during 1924 as compared with the former year. Seven hundred vessels of an aggregate tonnage of 1,851,939 tons entered as compared with 1,663,500 tons during 1923. British shipping predominated, composing approximately 58 per cent of the total. Germany, however, is reported as gradually assuming her pre-war position in the carrying trade of the colony.

EXPORTS

Of the total exports of the colony, Great Britain appears as a principal market, accepting roughly 30 per cent of all the Gold Coast exports. Holland is next with 23 per cent, followed by the United States with 19 per cent and Germany with 15 per cent. It is probable that a considerable proportion of Holland's share represents goods in transit to the United States and Germany.

Approximately three-quarters of the Gold Coast exports consist of raw cocoa. This colony produces three times as much cocoa as any other area in the world. At present Accra cocoa represents about half of the total world production. In 1924 the record figure of 223,329 tons was reached, in comparison with 197,664 tons in 1923. The average export price of this tonnage amounted to £32 7s. 8d. per ton. Holland was the chief country of consignment, followed by the United States, Germany, and Great Britain. It is believed that the colony is reaching its limit of production in so far as cocoa is concerned.

Gold Production.—This occupies second place among the colony's exports. This industry yielded 875,008 pounds in 1924, in comparison with 850,671 pounds in the previous year, thus showing a slight increase.

Diamonds.—A small diamond industry is in course of development. Diamonds have been washed for the last five years. The value of takings during 1924 amounted to £85,361.

Manganese.—The export of manganese ore is likewise a comparatively recent industry. It has developed rapidly since the first exportation in 1916 and now is third in value among Gold Coast exports. In 1924 the production of this ore totalled £526,400 in comparison with £387,377 in 1923.

Other exports which have shown appreciable progress are kola nuts and palm oil products. The extension of the Accra Railway to Kumasi accounts in some degree for the development of the these latter industries. This new transport has likewise affected the lumber industry favourably.

IMPORTS

In connection with the direction of the colony's import trade, the Collector of Customs writes as follows:—

The import trade with all parts of the Empire represented 68.69 per cent of the total import trade and is less by 3.78 per cent than similar trade for the year 1923. The share of the import trade approximated by the United Kingdom was 65.27 per cent of the total, or 4.21 per cent less than in the former year. The United States of America, France, Holland, and Germany increased their percentages of import trade with the colony, Holland having the largest increase. The import trade from the Netherlands was 7.17 per cent of the whole as against 5.8 per cent in 1923. The decline in the percentage of import trade from Britain was due to a great extent to reduced importations of apparel, silk and cotton manufactures from the mother country. . . . Holland sent increased supplies of canned fish, rice, and gin. German imports largely consisted of gunpowder, beer, cutlery, sewing machines, hardware, musical instruments, and perfumery. The principal imports from France consisted of aerated and mineral waters, rubber tires for vehicles, perfumed spirits, and wine. The main articles imported from the United States of America were motor vehicles, flour, pickled beef and pork, mineral oil, sugar, tobacco, and lumber.

Our direct trade with Canada in the meantime is small, but it is fairly certain that a considerable quantity of flour and other imported articles having their origin Canada are credited to the United States of America in the Customs statistics, because of existing trade conditions. Efforts made to establish a direct trade between the West Coast of Africa and Canada have hitherto proved disappointing, notwithstanding the fact that these territories are favourably situated for trading with each other from a geographical and Empire standpoint. Canada is a developing country, and so is the West Coast of Africa, and a trade agreement between the Dominion of Canada and British West Africa would do more to expand trade between these two portions of the Empire than anything else.

The lack of Canadian interest in this really lucrative trade is rather surprising, in view of the efforts that have been made by the Elder Dempster Company to build up a steady business with the British West African colonies. A very considerable proportion of the requirements of these colonies are goods in which Canada is in a position to compete with the world. This is particularly true of the foodstuff imports, which form a considerable percentage of the colony's external requirements.

The failure to build up Canada-Gold Coast trade apparently arises from the peculiar nature of West Africa commerce. It is largely controlled by Liverpool houses, who do all the buying for their West African connections. In the majority of cases these Liverpool houses have a large number of branches in West Africa; there is comparatively little independent importing apart from such houses. This condition makes it essential that Canadian goods for this market should be sold in Liverpool rather than on the Gold Coast, and Canadian exporters have never overcome the handicap of such circumvention. It is particularly regrettable that with direct service from Canada to West Africa, the United States should enjoy such a large share of the trade in commodities in which Canada is able to compete, but is not competing at present.

The principal countries of supply for the year under consideration were as follows:—

United Kingdom	£5,406,983
United States	900,545
Holland	594,003
Germany	571,743

Canada's total trade only amounted to £9,514. Of the grand total of imports, £1,917,980 consisted of articles of food and drink, £503,385 of raw and unmanufactured materials, and £4,782,665 covered manufactured goods of all kinds.

BEVERAGES

Business in aerated and mineral waters amounted to 107,568 dozen, of a value of £30,831. France and Germany are the principal suppliers at present. Imports of beer, ale, and other malt liquors consisted of 302,175 gallons of a value of £59,025, of which approximately four-fifths was supplied by Germany. Whisky imports amounted to 41,784 gallons of a value of £53,012. Gin was a much more popular beverage, as the imports amounted to 596,579 gallons of a value of £185,275. The trade, however, is almost entirely Holland gin.

FOODSTUFFS

Biscuits.—There is a considerable business in ship's biscuits, imported in barrels. The imports for 1924 amounted to £25,326. Tinned biscuits were a further import of £35,935. In both these trades Great Britain is predominant, with minor quantities supplied from Germany.

Butter.—Imports in the year under review amounted to 125,889 pounds of £60,888 value. Half the trade belongs to Denmark and the remainder is supplied from the United Kingdom.

Cheese.—This is a relatively small import, only amounting in value to £8,585, of which Holland supplies the majority. This is probably due to the difficult climatic conditions in which Dutch cheese proves trustworthy.

Condensed Milk.—This is imported to the value of £29,659, of which just over half comes from the United Kingdom and the remainder from Holland and the United States.

Confectionery.—This trade amounts to £12,173 annually, practically all supplied from Great Britain. Apparently only best qualities are in demand.

Fish.—Tinned fish is a large business, amounting to £127,876 during 1924. The quantities imported amount to 4,143,166 pounds, which makes the average f.o.b. value of this fish in the neighbourhood of 6d. per pound. This is not a particularly cheap trade at these figures, and it is hardly conceivable that Canada scarcely participates in this business to date. The United Kingdom supplies half the imports and the remainder is divided between Holland, Portugal, the United States, and France. Canada's share in the year under review amounted to £7,554.

Dried and pickled fish, preserved, not in containers, was imported to the extent of 3,679,180 pounds of a value of £59,843. Practically this entire import came from the Canary Islands and the Ivory Coast. These are cheap supplies, as the average value of imports is under 3d. per pound.

Flour.—The statistics under this heading are astonishing. Out of total imports of 179,603 cwt. of a value of £211,589, Canada only supplies 1,403 cwt. of a value of £1,628. Both Great Britain and Germany supply considerably more flour than Canada. The principal source is, of course, the United States, whose exports amounted to 167,799 cwt. valued at £196,514. It cannot be that price is the decisive factor in giving this market to the American mills, since the prices of Canadian and American flour supplied show almost precisely the same unit costs.

Fruits (canned, tinned, bottled and preserved).—This is a small trade amounting to about £5,000 per annum, of which Great Britain supplies almost all. Apparently the imports are for consumption by the white population.

Lard and lard substitutes.—Out of an import of 334,426 pounds valued at £16,151, the United States supplies roughly three-quarters and the balance of the remainder comes from Great Britain.

Meats, pickled and salted.—Great Britain and the United States split this trade, which is valued at £80,238 for the year under review. Denmark is a small supplier. Tinned and bottled meats are a large item, accounting for 2,874,510 pounds valued at £107,358. Great Britain supplied half these imports, Australia one-quarter and the remainder is divided between Germany, Argentina and Holland. Smoked and cured meats constitute a separate item amounting to £11,797 during 1924, of which practically all comes from Great Britain.

Refined Sugar.—This is a very considerable import into the Gold Coast. The requirements for 1924 amounted to 63,966 cwt. of a value of £143,494. Great Britain supplies roughly one-half and the British West Indies and the United States are the other considerable suppliers.

After examining these statistics of the foodstuffs trade of the Gold Coast, it seems doubtful if Canada makes a poorer showing in any market. The commodities in which she seems to be assured of a share of the business in every other part of the world finds her with only fractional business in this British colony. One can only believe that inconsiderable efforts are made by Canadian exporters to obtain an entry into this field, and that the difficulties of selling have baffled Canadian suppliers to date. It seems likely that on the whole these colonies accept the same goods made in the same way as other parts of the world, and that all that is necessary to establish Canadian business is a more concerted and continuous effort upon the part of Canadian exporters.

MANUFACTURED GOODS

Only items in which Canada's ability to compete is established will be noted under this heading.

Imports of boots and shoes amount to the following:—

Leather	30,798 pairs at £23,703
Other than leather	34,981 " 5,761
Slippers	29,853 " 3,472

The leather boots and shoes, with an average value per pair of 16s. 8d. (\$4) would appear to be for the better class trade, representing a good quality of shoe. Footwear, other than leather, would appear to be plimsolls and similar varieties of canvas shoes in which Canada is competitive. At present Great Britain monopolizes the market in all types of footwear, with the exception of limited supplies from Germany.

Motor Cars.—During 1924, 794 motor cars, of the value of £212,566 were imported. This represents an average value of £280 per car. The unit value is high because of the considerable percentage of British cars, 211 as against 548 from the United States. There are no Canadian imports at all. Parts and accessories account for a further £49,075, of which roughly three-fifths is American and the remainder British.

In motor cycles and parts, and bicycles, Great Britain is predominant, supplying about 75 per cent of the total requirements. There were 132 motor cycles and 1,039 bicycles imported during the year under review.

Cement.—The colony's requirements of cement amounted to 23,117 tons, valued at £88,005. Great Britain furnished 17,575 tons of the total and the only other suppliers of importance were Germany and Belgium.

Cordage.—This considerable trade amounting to 6,844 cwts. valued at £47,966 is a British monopoly. The item covers industrial cordage and not twines.

Glass Bottles.—The imports amounted to £8,596, equally divided between Great Britain and Germany.

Tools, Agricultural.—This item includes machetes, which Canada does not manufacture. Germany is predominant, furnishing £19,074 out of a total of £37,624. Great Britain is the only other source of importance.

Artisans' Tools.—About 75 per cent of artisans' tools imported comes from Great Britain, with Germany supplying the bulk of the remainder.

Machinery.—Great Britain is the chief source of all types of machinery. Only limited quantities of agricultural machinery are imported and almost entirely upon Government indents. The same applies to electrical equipment, the imports of which total about £30,000 per annum. Industrial machinery is likewise ordered upon Government account, business to the amount of £45,178 having been placed in Great Britain during 1924. In gold mining and dredging equipment, the bulk of the £69,630 imports is British, £6,982 coming from the United States, which is the sole competitor. Railway and tramway equipment is practically the same, the imports amounting to £64,929, all of which come from Great Britain.

Lamps and Lanterns.—Of this trade, which amounts to about 20,000 dozen annually, the supply is from the United States, Germany and Great Britain, in the above order of importance. The average f.o.b. price appears to be about £1 per dozen.

Paints and Varnishes.—The total business under this heading amounts to £21,891, of which Great Britain supplies almost all.

Paper.—All types of paper are imported to the value of £16,058, of which practically all comes from Great Britain. There is no entry for Canada at all.

Motor Car Tires.—Out of total imports amounting to £82,591, Great Britain supplies £61,431, France and the United States dividing the remainder.

EXTERNAL TRADE OF SOUTH AFRICA DURING 1924

TRADE COMMISSIONER G. R. STEVENS

X

Imports of Machinery and Tools—Continued

[Imports and exports of South Africa were discussed in general terms in the first instalment of this report, which was published in No. 1130; Foodstuffs Imports in Nos. 1131 and 1132; Textiles and Clothing in Nos. 1133 and 1134; and the first, second, and third parts of Machinery and Tools in Nos. 1143, 1144, 1147, and 1148. Further instalments of this report, which deals with the import trade of South Africa in the light of the recent revision of the tariff, will be published in later issues.]

RAILWAY MATERIALS—LIGHT RAILS

	1924		1923	
	Centals	£	Centals	£
Great Britain	22,156	14,813	33,188	23,464
Germany	118,870	44,879	45,264	22,002
France	50,589	19,530	13,608	5,010
All suppliers	225,055	92,063	110,244	59,740

The gold mines, the coal mines and the sugar industry require considerable quantities of light rails each year. These rails are usually supplied in a 22-pound section for an 18-inch gauge. In some cases they come in short sections with iron sleepers attached. It is a growing business and it is probable that before long the light railway idea will appeal to the maize and citrus farmers, who are encountering a certain amount of congestion in their seasonal rushes. This is not, however, a business which Canada has developed as greatly as Continental countries, and it seems improbable that the market will be of interest to Canadian exporters. The present demand is supplied by comparatively few firms, one French house, two British and a half dozen German manufacturers being predominant.

RAILS—HEAVY

	1924		1923	
	Centals	£	Centals	£
Great Britain	29,854	16,776	10,108	4,537
Germany	52,674	17,808	10,521	....
All suppliers	92,343	38,333	32,847	13,139

These statistics do not include Government purchases (which run into many times the amount of the present figures), but imports upon industrial account, as well as possibly some supplies for the Cape Central Railway, which until 1925 was the remaining privately owned railway of South Africa. The present figures represent a heavy purchasing year in heavy rails, since barring the occasional requirements of the mines and municipalities, there is little or no demand outside of the Government railways for standard sections.

The Government railway systems will be in the market for considerable quantities of standard section heavy rails in the near future, owing to the programme of construction which has been projected. About nine hundred miles of new track is proposed, and with a financial surplus during the present year, the way will be paved for approval of this programme, in part at least. A large percentage of this new mileage will consist of branch and feeder lines which will be equipped with steel raised from other sections of the South African system, in order to facilitate the introduction of heavier sections upon the principal trunk routes. The present standard sections in use are forty-five pounds, sixty and eighty pounds, with some hundred-pound steel upon the heaviest traffic lines.

Government purchases of heavy rails are fairly well distributed over the principal supplying nations. Germany has been getting a considerable share of the business, but Great Britain, United States, France, and Belgium have all supplied parcels during the past year.

In addition to construction, the maintenance requirements of the South African system amount to approximately one hundred miles of track per year. The tendency in maintenance purchases is towards heavier sections also.

SLEEPERS—IRON

	1924		1923	
	Centals	£	Centals	£
Great Britain	6,841	3,741	12,313	6,885
Germany	11,995	5,721	3,979	1,921
France	6,053	2,723	....	....
All suppliers	28,631	14,031	17,443	9,708

The present statistics, like the statistics of other railway equipment only represents purchases on industrial account, and the majority of the above are indented on behalf of the mining and sugar industries. This business closely parallels the imports of light rails with the same few firms participating.

It should be noted, however, that the Government railways are displaying marked interest in steel sleepers at the moment, particularly heavy types for main line traffic. It would appear that the hardwood sleepers which are universally used in South African railways leaves something to be desired under heavy traffic conditions.

SLEEPERS—WOODEN

	1924	1923
	£34,934	£5,382
Australia	37,336	7,933
All suppliers		

These statistics only represent private imports.

Last year's maintenance requirements of the state owned railways amounted to 803,000 sleepers, which is probably a fair average, barring any new construction. These sleepers are almost entirely imported, with the exception of occasional experiments with South African yellow-wood, which have not been too successful to date. There are, however, large areas of timber planted out which are destined as sleeper supplies, but the exploitation of these need not be anticipated for at least another decade.

Practically all the sleepers imported are brought from Western Australia. There have been one or two experimental shipments of mowra and other tropical hardwoods from British Guiana. The South African Government operates three steamers in this trade, carrying South African coal outward. The jarrah-wood sleepers supplied by Australia seem to offer exceedingly good value. Considering that they are hand hewn by white labour, the prices are not high. They are long lived and enduring under all South African conditions.

Numerous attempts have been made to induce the South African railways to experiment with Canadian creosoted Douglas fir sleepers. Such negotiations are still going on, but owing to the excellent record of jarrah, and a strong and not altogether reasonable antipathy to Douglas fir because of the failure of a trial shipment over a decade ago, it has been impossible to place Canadian sleepers to date. With the recognition of the fact that heavy traffic requires greater resiliency in sleepers than hardwood affords, and with the introduction of new rail holding equipment which will minimize the plate-cutting which is testified against soft-wood sleepers, it may be possible for Canadian firms to enter this lucrative market in the future.

LOCOMOTIVES

	1924	1923
Great Britain	£23,130	£32,892
United States	6,855	5,156

As in previous instances these statistics only cover private purchases. These are usually light types of engines for use on narrow gauge lines, built to specification for certain work. It is not a trade for which Canada could cater.

During the past year, however, there has been some extensive buying of locomotives upon Government account. According to the annual report of the General Manager of South African Railways, considerable increases in this department of rolling stock may be anticipated in the coming year. During 1924 an official of the railways administration visited the United States for the purpose of investigating the American system of long continuous runs, with a view to adopting such principle on the South African main lines. As a result, for the first time for some years, twenty large locomotives of specialized types were purchased from an American builder. Of the remaining fifty imported during the year, a small number were ordered from Germany. In addition there are about the same number of electric locomotives under order, partially from English and partially from German manufacturers.

ROLLING STOCK

	1924	1923
Great Britain	£10,139	£12,718
Germany	14,682	1,054
All suppliers	26,964	15,859

These statistics are inconsequent, representing the requirements of one or two specialized industries.

The Government imports under the same period, however, were very considerable. During the year 102 new passenger coaches were placed in service of which forty were built in South Africa and the remainder imported. At the end of the fiscal year—March 31—106 passenger vehicles were under construction in South Africa, and 88 were on order from overseas. These passenger vehicles are almost invariably built in England.

In freight rolling stock, 1,178 new vehicles were placed in service during the year of which 1,050 were imported. The imports consisted of 850 bogie steel grain wagons, and 200 high-sided 100,800-pound steel wagons. Three hundred others of the latter type, and fifty additional grain wagons were on order at the end of the fiscal year, and since that date another 948 vehicles have been authorized, to consist largely of steel trucks, bogie drop-sided steel wagons, and specially designed fruit trucks.

The bulk of this business is placed in England, with occasional orders reaching Germany. During the past year a few orders have been placed in France, due to the favourable position of the franc for export. Holland has filled one order also.

MECHANICS' TOOLS

	1924	1923
Great Britain	£ 62,463	£ 67,385
Germany	26,407	26,606
United States	58,049	66,725
All suppliers	153,118	165,052

This item covers practically all varieties of hand tools used in woodworking and metal-working occupations. There are no small castings or forgings suitable for tools made in South Africa and consequently the very large demand of a rough country must be supplied from overseas.

As elsewhere in the world, the competition is between types of tools. Great Britain continues to supply durable and serviceable shapes and qualities. British tools represent exceedingly good value to anyone who contemplates a purchase for perhaps a quarter century of use. The British tool is not incidental to the workman, it is destined to be part of him. Moreover, it is conceived for specialized functions more often than for general use. American tools, on the other hand, while of excellent quality, have not the durability and permanence of the British article. They have, however, a very much more attractive appearance, and in small matters of finish, balance and convenience, they quite surpass British tools in many respects. On the whole, they are perhaps, more favourably priced, quality-for-quality, than many British lines. German tools follow the German tradition of being handy and serviceable but lacking in the quality which makes them valuable over long periods of use. There are exceptions, of course, to this criticism, as some lines of German manufacture are sold in South Africa which are comparable with those supplied by any nation.

Great Britain and Canada have retained a small preference of 3 per cent upon this item, which should prove to be of value.

One Canadian manufacturer of saws has an excellent business in South Africa. The statistics of saws are not under this heading—they are included under "Cutlery—Unplated". Canada does about £10,000 per annum in saws. Another Canadian manufacturer of hammers and similar hand tools is increasing his business in both high class and cheap lines. Any Canadian firm manufacturing tools, who is in a position to compete with American makes, can find business in this market.

SHOVELS

	1924		1923	
	No.	£	No.	£
Great Britain	297,570	36,090	....	31,192
Canada	89,280	11,621	....	17,742
All suppliers	390,845	45,157	....	50,307

The mining industry imports very large quantities of shovels each year and probably three-quarters of the total requirements are for the Rand. There are no shovels manufactured in South Africa at present, although a considerable business has been built up on the Reef in repointing and redrawing shovels' points; these businesses in time will probably evolve into out-and-out manufacturing concerns.

The mines buy a good type of shovel, and one Canadian mark is perhaps the best known shovel brand in South Africa. Only one type of shovel is acceptable. This is a strapped shovel in which the metal strapping is drawn or rolled from the same piece of metal as the shovel proper. The socketed shovel cannot be sold to the mines at any price.

During the past year British competition has become very keen upon this item and Canadian sales have suffered somewhat. It is probable, however, that the reputation of the principal Canadian shovel is sufficiently good to retain the present share of the market. Beyond the mines, the demand is for rough English patterns, round-nose road shovels predominating. The railways import considerable quantities each year of square-nose stamped and hammered shovels, which are not shown in the present statistics. The farm trade is principally in inferior types which Canada does not manufacture at present.

CUBAN INTERNATIONAL SAMPLE FAIR POSTPONED

The State Department of Cuba has informed the Consul for Cuba, Toronto, by cable, that the second International Sample Fair, which was to have been held in Havana during February, has been postponed, but will take place from March 12 to March 25, 1926, both dates inclusive.

IMPORTS OF COTTON PIECE GOODS AND OTHER COTTON GOODS INTO BRITISH WEST INDIA COLONIES

(Year ended December 31, 1924)

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Colony	Commodity	Total Imports		Imports from—					
				United Kingdom		United States		Canada	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
		Yds.	\$	Yds.	\$	Yds.	\$	Yds.	\$
Bermuda.....	Cotton Piece Goods		325,823		167,588		153,990		3,548
British Guiana.....		8,373,008	1,297,191	7,787,586	1,207,732	511,245	76,923	4,452	1,825
British Honduras.....			317,460		130,195		171,379		1,971
Bahamas.....		1,228,000	189,765	207,029	44,900	1,015,000	143,342		
Barbados.....		2,893,654	551,403	2,581,422	502,512	312,232	48,832		58
Grenada.....		1,527,381	179,376	702,983	96,067	821,950	82,650		
Jamaica.....		15,619,597	2,164,177	6,818,892	1,089,748	8,754,532	1,063,649	2,653	1,134
Leeward Islands—									
Antigua.....		313,802	45,532	261,975	36,942	48,226	8,107		
Dominica.....		288,616	51,265	199,854	35,979	85,532	14,537	130	83
Montserrat.....		84,676	19,729	29,349	5,314	47,723	12,458		
St. Kitts-Nevis.....		635,592	103,952	415,697	70,712	213,997	31,959		
Virgin Islands.....		46,777	9,090	3,516	1,100	38,810	7,027		
St. Lucia.....		636,162	98,306	391,043	61,208	244,872	37,025		
St. Vincent.....		666,892	94,248	472,186	74,027	177,283	18,887	909	180
Trinidad and Tobago.....		8,934,347	1,266,321	7,561,930	1,086,731	1,193,795	159,329	5,848	3,339
Total Imports.....			6,713,638		4,610,755		2,030,094		12,138
Per cent.....			100-0		68-6		30-2		0-2
	Other Cotton Goods								
Bermuda.....		(a)		(a)		(a)		(a)	
British Guiana.....		(a)	240,428	(a)	145,282	(a)	37,563	(a)	4,392
British Honduras.....		(a)	34,075	(a)	2,076	(a)	31,975	(a)	2
Bahamas.....		(a)	180,971	(a)	58,187	(a)	111,480	(a)	127
Barbados.....		(a)	508,046	(a)	444,415	(a)	27,905	(a)	1,849
Grenada.....		(a)	30,796	(a)	20,620	(a)	8,920	(a)	
Jamaica.....		(a)	549,694	(a)	327,288	(a)	168,182	(a)	681
Leeward Islands—									
Antigua.....		(a)	46,043	(a)	31,093	(a)	13,538	(a)	530
Dominica.....		(a)	14,478	(a)	10,166	(a)	4,312	(a)	
Montserrat.....		(a)	4,818	(a)	1,708	(a)	2,701	(a)	121
St. Kitts-Nevis.....		(a)	36,705	(a)	21,783	(a)	8,739	(a)	44
Virgin Islands.....		(a)	1,537	(a)	321	(a)	535	(a)	
St. Lucia.....		(a)	21,525	(a)	12,609	(a)	6,886	(a)	
St. Vincent.....		(a)	18,114	(a)	14,624	(a)	2,083	(a)	282
Trinidad and Tobago.....		(a)	453,061	(a)	349,882	(a)	94,223	(a)	11,753
Total Imports.....			2,140,291		1,440,054		519,042		19,781
Per cent.....			100-0		67-3		24-2		0-9

(a) Entered at Value only.

NOTE.—Other Cotton Goods include all classes of cotton except Cotton Piece Goods.

TARIFF RELATIONS BETWEEN CANADA AND OTHER COUNTRIES

WILLIAM GILCHRIST, CHIEF, FOREIGN TARIFFS DIVISION

The tariffs of the British Empire which contain preferential rates of duty on Canadian goods compared with similar goods of non-British origin, that is to say, preferences affecting either the generality of imports or a limited list of goods, are the following: Great Britain and Northern Ireland, Irish Free State, Australia, New Zealand, Union of South Africa, Southern Rhodesia, Northern Rhodesia (except Congo Basin), British West Indies (twelve colonies), British Guiana, British Honduras, Cyprus, Fiji, Mauritius, Western Samoa.

CANADIAN PREFERENCES ON EMPIRE GOODS

Canada grants tariff concessions to all the aforementioned parts of the British Empire, and also to many other British areas in which there is no special tariff for Empire products. In many cases it is the full British preferential schedule that Canada applies to the goods of Empire origin. The United Kingdom and British colonies and possessions are given the benefits of the French treaty, meaning that they are given as low a tariff as that applied to any foreign country. Particulars regarding preferential duties on Empire goods entering Canada may be obtained from the Canadian customs tariff.

WHERE BRITISH PREFERENCES HAVE WIDE APPLICATION ON CANADIAN GOODS

A formal trade agreement between Canada and the British West Indies, including British Guiana and British Honduras, sets forth the minimum amount of preference to be accorded by each side. In British West Indian colonies as well as in New Zealand, the Rhodesias, Cyprus, Fiji and Western Samoa, the preferences apply to dutiable goods in general. The entire British preferential schedule in each case is accorded to Canada, so that in these markets there is usually a tariff advantage for Canadian products as compared with similar goods imported from any foreign country.

TARIFFS OF GREAT BRITAIN AND IRELAND

Great Britain and Northern Ireland have the same customs tariff, with British preferential rates in force on nearly all dutiable goods. The existing preferences are in every instance accorded to Canada. The Irish Free State has a somewhat different tariff but it also contains several British preferential rates and these apply to Canadian goods. It is to be noted that most classes of goods are exempt from duty on entering Great Britain and Ireland, no matter from what place arriving.

PREFERENCES ON SELECTED ITEMS

Australia and Canada have enacted legislation according each other duty reductions on special items of their respective tariffs.

In the Union of South Africa, there have been incorporated in the tariff both minimum and maximum duties. Canada has been accorded a certain number of the South African minimum rates.

The colony of Mauritius in 1924 adopted a British preferential tariff on a selected list of tariff items and all the preferences in force were afterwards accorded to Canada.

FRANCE

Canada has entered into a convention of commerce with France, the concessions obtained, briefly stated, being: (a) French minimum rates of duty,

including most-favoured-nation treatment, on a specified list of goods; (b) percentage reductions from the French general tariff on another list of goods, or, if lower, the rates of duty which France applies to United States products of a similar kind; (c) on all other goods the French general tariff without the increase made by decree of March 28, 1921, so long as United States products are exempted from that advance in duties. The reciprocal tariff reductions which Canada makes in favour of France are: (a) the intermediate tariff or most-favoured-nation treatment; (b) on a specified list of goods fixed rates usually between the British preferential and the intermediate tariffs; (c) on certain goods rates lower than the intermediate tariff by 10 or 15 per cent of the duty. French colonies, possessions, and protectorates are included in the convention. Those colonies, etc., which have not the same tariff as France are to give Canada the rates granted to the most-favoured foreign nation. Special provision is made for minimum tariff treatment for Canadian food products in St. Pierre, Miquelon, French West Indies, and French Guiana.

ITALY, BELGIUM AND NETHERLANDS

Conventions of commerce have also been arranged by Canada with Italy, Belgium and Luxembourg, and the Netherlands. These are on the principle of exchange of most-favoured-nation treatment in tariff matters. In the case of Italy and Belgium, the colonies are included in the conventions, and the Netherlands convention extends to the Netherlands Indies, Surinam, and Curacao.

SECOND TARIFF OF SPAIN

Under a temporary agreement or *modus vivendi*, Canadian goods enjoy the benefit of the Second Tariff of Spain in return for the application of the Canadian intermediate tariff to Spanish goods. The First Tariff of Spain is usually, although there are many exceptions, about three times as high as the Second Tariff. There are also in the Spanish tariff system some conventional duties which are lower than even the rates of the Second Tariff.

PROVISIONS OF UNITED KINGDOM TREATIES APPLICABLE

By means of the Japanese Treaty Act of 1913 Canada sanctioned, with certain provisos, the Treaty of Commerce and Navigation of 1911 between the United Kingdom and Japan, as a result of which Canada and Japan now exchange most-favoured-nation tariff treatment of each other's goods.

By accepting certain terms of the Anglo-Finnish treaty of 1923, Canada establishes most-favoured-nation relationship in tariff matters on a reciprocal basis with Finland, with certain exceptions in regard to possible Finnish preferences to imports from Esthonia, Latvia and Lithuania.

There is a group of countries, namely, Norway, Sweden, Denmark, Switzerland, Argentine Republic, Colombia and Venezuela, to which Canada accords most-favoured-nation treatment in tariff matters on account of treaties existing between these countries and the United Kingdom which are applicable to Canada. These treaties establish the principle of most-favoured-nation treatment in matters of commerce between the countries concerned.

It was arranged that the provisions of the trade agreement of 1921 between Great Britain and the Russian Socialist Federal Soviet Government should apply to merchandise the produce and manufacture of Canada, and should govern the relations between Canada and Russia. Consequently, Russia is also among the countries having most-favoured-nation relationship in tariff matters with Canada.

TARIFF SYSTEMS AND FAVOURED NATION TREATMENT

As this review makes frequent reference to the granting by one country to another of most-favoured-nation treatment in tariff matters, a word may be

added about the significance in general of such relationship between states. The concessions to be granted by any particular country in consequence of the most-favoured-nation clause depend, first of all, on its tariff system. It will be a question of whether such country has established duties lower than a general tariff and, if so, how extensive is the list of goods affected, and how wide is the difference between the duty schedules. Concessions may be far reaching enough to provide preferences for all dutiable imports, or they may apply only to a limited list of commodities. Or there may be no preferences for any country. Here it may be observed that many foreign countries, including some with favoured-nation obligations, have in force a single schedule of duties. Even in the case of countries which have a double column tariff, the two schedules may not be complete and there is not necessarily a maximum and minimum rate on every article. Another point to be kept in mind in estimating the effect of favoured-nation treatment in a particular market is the position of other countries in the same market. There will be, of course, no preference over any competing country which has also arranged for the minimum or lowest tariff.

TRADE OF THE IRISH FREE STATE DURING THE FIRST NINE MONTHS OF 1925

ACTING TRADE COMMISSIONER A. F. MACEachern

Dublin, December 28, 1925.—Although the trade returns of the Irish Free State during the first nine months of this year show a total adverse balance of £14,787,783 as against £13,366,218 for the corresponding period of 1924, the figures for the month of September (the last month for which statistics are now available) are much more favourable than those of any preceding month, disclosing as they do an adverse balance of £536,000 lower than that of any other month of the first three quarters. Examination of the statistical returns show that exports and re-exports from the Irish Free State during the first nine months of this year were valued at £5,500,000 less than in 1924, while imports in the like period registered a decrease of only £4,000,000, thus accounting for the increased unfavourable balance of trade.

Exports to countries other than Great Britain and Northern Ireland amounted during the period under review to only 2.6 per cent of the total, Great Britain and Northern Ireland absorbing together 97.6 per cent of the total exports of the Free State. Exports of live stock during the January to September period of this year were valued at £9,823,452 as against a total valuation of £14,073,396 during the like period of last year, representing a drop of £4,249,944, of which sum cattle alone accounted for £3,355,521. Bacon exported from the Free State amounted to 315,539 cwt., valued at £1,965,243, while imports of bacon were 363,494 cwt., valued at £1,632,726. The values of butter, pork, and poultry exported from the Free State during the first nine months of this year also registered appreciable decreases compared with the figures for the parallel period of last year. Oats and other cereals were sold abroad by the Free State in greater quantities during the nine-months period of this year, and increases were also shown in exports of cream, condensed milk, cheese, and margarine.

The effect of the Customs duties which have been levied on wearing apparel, wooden furniture, and manufactured tobacco is reflected in a substantial falling off of imports of these commodities. Canada, British India, Sweden, Australia, and South Africa were the only countries which contributed increasingly to the requirements of the Free State during the January to September period of this year, as compared with their exports of last year, while Great Britain, Northern Ireland, the United States, Argentina, Germany, Belgium, France, and Spain supplied considerably less of the foreign requirements of the Free State, as the following table shows:—

The articles covered by these regulations are specified in Item 306 (e) of the Newfoundland Revenue Act, which is as follows:—

Advertising pamphlets, advertising showcards, illustrated advertising periodicals; price books, catalogues and price lists; advertising almanacs and calendars; patent medicine or other advertising circulars, fly sheets or pamphlets; advertising chromos, chromotypes, oleographs or like works produced by any process other than hand painting or drawing, and having any advertising or advertising matter printed, lithographed or stamped thereon, or attached thereto, including advertising bills, folders, and posters or other similar artistic work, lithographed, printed or stamped on paper or cardboard for business or advertising purposes, n.o.p.

Greece Removes Chemical Restrictions on Flour

Certain chemical tests applicable to flour imported into Greece, which went into force as from June 1, 1925, have been removed by a decree effective from January 15, 1926, according to a cablegram received by the Director of the Commercial Intelligence Service from the British Commercial Secretary at Athens. The regulations in question related to degrees of acidity, content of gluten, ash, humidity, etc., that would be permitted in the different classes of imported flour. Of special importance was the provision relating to acidity, the maximum acidity established for No. 1 quality flour being 0.12 per cent and for No. 2 quality, 0.15 per cent. It appeared that the enforcement of this regulation would seriously affect Canadian export trade in flour with Greece, and Mr. W. McL. Clarke, at that time Canadian Government Trade Commissioner at Milan (now Director of the Commercial Intelligence Service at Ottawa), was instructed to proceed to Athens to make representations to the authorities there on behalf of Canadian exporters of flour.

It appears from the cable despatches, which are necessarily condensed, and possibly not correctly interpreted, that all the chemical restrictions have been removed. A further statement on the matter will be published when the complete report is received by mail. The restrictions which went into force in June are as follows:—

	No. 1 Quality Flour	No. 2 Quality Flour	Pityroucho
Sulphuric acidity.. . . .	Maximum 0.120%	0.150%	0.150%
Humid gluten	Minimum 26.00%	28.00%	26.00%
Ash	Maximum 0.60%	1.00%	1.30%
Hydration.. . . .	Minimum 66.00%	60.00%	....
Water	Maximum 13.05% (a)	13.05% (a)	14.00% (a)

(a) Or not more than 2% of the water content of the wheat from which it was produced.

TENDERS INVITED

Australia

Copies of tender forms, specifications and drawings have been received from Trade Commissioner D. H. Ross, Melbourne, for material required by the Victorian Government Railway Department, Melbourne. The tender forms, specifications and drawings are open to the inspection of interested Canadian manufacturers at the Department of Trade and Commerce, Ottawa (refer to file No. 29077). Tenders in conformity to the specifications should be promptly addressed to the Secretary, Victorian Government Railways, Melbourne, Australia.

Particulars of the requirements are briefly outlined thus:—

No.	Date of Closing	Particulars
39247	March 3, 1926.	Supply and delivery of one set three-phase alternating current induction motor, 20 b.h.p., 750 r.p.m., complete with starting apparatus and accessories, as specified.
39250	March 10, 1926.	Supply and delivery of one stationary hydraulic cap riveter complete with all necessary equipment, as specified.
39046	March 31, 1926.	Supply and delivery of 1,250,000 steel spring, oiled, washers for fish-bolts, as specified.
39259	April 7, 1926.	Supply and delivery of one hydraulic plate bending press, complete with equipment, as specified.

New Zealand

Copies of specifications have been received from Mr. C. M. Croft, Canadian Government Trade Commissioner at Auckland, N.Z., for equipment required by the Public Works Department, Wellington. These specifications are open for inspection at the Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa. Tenders should be addressed to the Secretary, Public Works Supplies and Tenders Board, Wellington, in accordance with these specifications.

No.	Date of Closing	Particulars
S.M. 262	April 23, 1926.	Arapuni Electric Power Scheme. Section 158—Bombay Substation.—Manufacture, supply and delivery C. & F. Auckland of 11,000 volt switchgear details and metering equipment.
S.M. 261.	February 16, 1926.	Arapuni Power Development. Section 161.—1 100 K.V.A. 3-phase delta star 22,000/400 volt substation service transformer, provided with 5 per cent and 10 per cent taps plus and minus. 1 20 K.V.A. 3-phase delta star 11,000/400 volt substation service transformer, provided with 5 per cent and 10 per cent taps, plus and minus.

TRADE COMMISSIONER A. B. MUDDIMAN'S FORTHCOMING VISIT TO CANADA

Mr. A. B. Muddiman, Canadian Trade Commissioner in Singapore, will arrive in Vancouver on February 24 on his way to Rotterdam, to which post he is being transferred. He will make a business tour of the Dominion in the interests of Canadian export trade to the Straits Settlements, Siam, the Dutch East Indies, and Holland. Canadian firms who are interested in any of these countries and who desire to be brought in touch with Mr. Muddiman or to interview him are requested to communicate at an early date with the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa, in order that the necessary arrangements may be made.

DUTCH CONSUMPTION DOMESTIC COAL INCREASES

With reference to the assistance being given to Dutch coal mines, outlined in a report on the "Coal Trade of the Netherlands" published in *Commercial Intelligence Journal* No. 1146, Mr. Frederick H. Palmer, Canadian Government Trade Commissioner in the Netherlands, under date of December 22, writes that *De Telegraaf* of Amsterdam announces that the Dutch railways are carrying more coal from the Limburg mines than ever before, even during the war period, when importation of coal had ceased. Coal is now leaving the Limburg district at the rate of 1,700 cars per day as compared with the war time maximum of 1,200 cars. The demand for trucks is of such a character that the railway authorities have increased the staffs at several points.

BRITISH TRADE COMMISSIONERS IN CANADA

Canadian importers and others desirous of obtaining information regarding the export trade of the United Kingdom and British manufacturers desirous of representation in Canada, are invited to communicate with the under-mentioned:—

The Senior British Trade Commissioner in Canada and Newfoundland, 285 Beaver Hall Hill, Montreal, Que. Telegraphic address: "Britcom."

The British Trade Commissioner (for Ontario), 901-902 Bank of Hamilton Bldg., Toronto, Ont. Telegraphic address: "Toroncom."

The British Trade Commissioner (for Western Canada), 18 Commerce Bldg., Vancouver. Telegraphic address: "Vancom."

The Officer-in-Charge (for Manitoba and Saskatchewan), British Trade Commissioner's Office, 703 Union Bank Bldg., Winnipeg. Telegraphic address: "Wincom."

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING FEBRUARY 1, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending February 1, 1926. Those for the week ending January 25, 1926, are also given for the sake of comparison.

	Parity		Week Ending January 25, 1926	Week Ending February 1, 1926
Britain	£ 1.00	\$4.86	\$4.8600	\$4.8650
Czecho-Slovakia	Crown 1.	.203	.0296	.0296
France	Fr. 1.	.193	.0372	.0376
Italy	Lire 1.	.193	.0404	.0401
Holland	Florin 1.	.402	.4014	.4010
Belgium	Fr. 1.	.193	.0455	.0455
Spain	Pes. 1.	.193	.1416	.1413
Portugal	Esc. 1.	1.08	.0520	.0520
Switzerland	Fr. 1.	.193	.1930	.1929
Germany	Reichs Mk. 1.	.238	.2382	.2382
Greece	Dr. 1.	.193	.0139	.0143
Norway	Kr. 1.	.268	.2039	.2037
Sweden	Kr. 1.	.268	.2678	.2679
Denmark	Kr. 1.	.268	.2475	.2473
Japan	Yen 1.	.498	.4475	.4495
India	R. 1.	2s.	.3685	.3700
United States	\$ 1.	\$1.00	1.0018	1.0018
Mexico	\$ 1.	.498	.4845	.4855
Argentina	Pes. 1.	.424	.4150	.4137
Brazil	Mil. 1.	.324	.1495	.1475
Roumania	Lei 1.	.193	.....	.....
Jamaica	£ 1.	4.86	4.8800	4.8850
British Guiana	\$ 1.	1.	1.0062—1.0187	1.0062—1.0087
Barbados	\$ 1.	1.		
Trinidad	\$ 1.	1.		
Dominica	\$ 1.	1.		
St. Kitts	\$ 1.	1.		
Grenada	\$ 1.	1.		
St. Vincent	\$ 1.	1.		
Tobago	\$ 1.	1.		
Shanghai, China	Tael 1.	.708	.5862	.5885
Batavia, Java	Guilder 1.	.402	.4050	.4050
Peru	Pound 1.	4.86½	3.8700	3.8600
Singapore, Straits Settlements ..	\$ 1.	.567	.5712	.5862

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," or THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

100. SWEETENED CONDENSED MILK IN BARRELS.—A firm in Hamburg, Germany, wish to secure offers from Canadian firms in a position to supply sweetened condensed milk in barrels, which is required for use of the chocolate industry.

101. FLOUR.—A firm in Sneek, Holland, would be glad to hear from Canadian flour millers with a view to importing Canadian flour into the Netherlands.

Miscellaneous

102. RAW LINSEED, FERTILIZERS, AND FEEDING STUFFS.—A Dublin firm desire c.i.f. quotations for raw linseed, and are interested in importation of fertilizers and feeding stuffs.

103. FERTILIZERS.—An agent in Riga, Latvia, wishes to receive quotations from Canadian manufacturers of fertilizers.

104. AGRICULTURAL MACHINERY.—An agent in Riga, Latvia, wishes to receive prices and catalogues from Canadian manufacturers of agricultural machinery.

105. LAWN MOWERS, AGRICULTURAL MACHINERY AND IMPLEMENTS, TOOLS, AND BUILDERS' HARDWARE.—A Dublin firm are desirous of purchasing above commodities on own account.

106. ROAD-REPAIRING MACHINERY.—An agent in Riga, Latvia, wishes to receive prices and catalogues from Canadian manufacturers of road-repairing machinery.

107. WOOD-WORKING MACHINERY.—An agent in Riga, Latvia, wishes to receive prices and catalogues from Canadian manufacturers of wood-working machinery.

108. PARCHMENT PAPER.—An important Japanese firm are anxious to get in touch with a Canadian source of supply for all grades of parchment paper. Sample of kind of paper required may be had on application to the Department of Trade and Commerce, Ottawa. Firms able to supply this paper should send counter samples and prices immediately.

109. BIRCH.—A large German firm of wholesale wood merchants and saw millers in Werden-Ruhr wish to secure quotations from Canadian exporters of resawn birch planks $\frac{3}{4}$ inch, 1 and $1\frac{1}{4}$ inches, and $1\frac{1}{2}$ inches, plain, in one, two, three, or four carload lots c.i.f. Rotterdam.

110. TIMBER (ALL CLASSES, INCLUDING BOX SHOOKS AND STAVES), SLATES, BRICKS, TILES, AND BUILDERS' IRONMONGERY.—A Limerick firm are anxious to import above.

111. MECHANICAL WOOD-PULP.—A firm in Haarlem, Holland, would be glad to receive quotations, samples, and weights from Canadian exporters of mechanical wood-pulp.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From St. John

To LONDON.—Brecon, Feb. 13; Bothwell, Feb. 27—both Canadian Pacific; Canadian Rancher, Feb. 17; Canadian Aviator, March 3—both C.G.M.M.; Vallevia, Cunard Line, Feb. 17.

To CARDIFF AND SWANSEA.—Canadian Victor, Feb. 10; Canadian Leader, Feb. 24—both C.G.M.M.

To BELFAST AND DUBLIN.—Lord Londonderry, Head Line, Feb. 25.

To LIVERPOOL.—Montcalm, Feb. 12; Montclare, Feb. 19; Montrose, Feb. 26; Metagama, March 5—all Canadian Pacific.

To AVONMOUTH.—Kastalia, Anchor-Donaldson, Feb. 20.

To SOUTHAMPTON.—Marloch, Canadian Pacific, Feb. 17.

To MANCHESTER.—Manchester Brigade, Feb. 20; Manchester Regiment, March 6—both Manchester Liners.

To GLASGOW.—Gracia, Feb. 16; Carmia, Feb. 23; Morevia, March 5—all Anchor-Donaldson; Bolingbroke, Feb. 9; Brandon, March 2—both Canadian Pacific.

To ANTWERP.—Canadian Rancher, Feb. 17; Canadian Aviator, March 3—both C.G.M.M.; Marloch, Canadian Pacific, Feb. 17.

To ROTTERDAM.—Hada, Feb. 16; Essex County, Feb. 28—both Intercontinental Transports, Ltd.

To HAMBURG.—Batsford, Canadian Pacific, Feb. 24; Brant County, Intercontinental Transports, Ltd., Feb. 28.

To COPENHAGEN AND BALTIC PORTS.—Main, Scandinavian-American Line, March 3.

To AUSTRALIAN AND NEW ZEALAND PORTS.—Largolaw, New Zealand SS., Ltd., Feb. 17.

To CUBA.—A steamer, Feb. 10, Feb. 20, H. E. Kane & Co.; Emperor of Montreal, Robert Reford & Co., Feb. 20.

To SOUTH AMERICAN PORTS.—Folkvard, Houston Line, Feb. 20.

To ITALIAN PORTS.—Valnegra, Lloyd Mediterraneo Italian Service, Feb. 8.

To SIERRA LEONE AND SOUTH AFRICAN PORTS.—Cariboo, Elder Dempster, Feb. 15.

From Halifax

- To PLYMOUTH, CHERBOURG AND LONDON.—Antonia, Cunard Line, Feb. 22.
 To HULL.—Comino, Feb. 15; Wheatmore, Feb. 22; Ariano, March 8—all Furness, Withy.
 To LIVERPOOL.—Daytonian, White Star-Dominion, Feb. 12; Carmania, Cunard Line, Feb. 15; Cornish Point, Feb. 16; Sachem, Feb. 23—both Furness, Withy.
 To COBH (QUEENSTOWN).—Carmania, Cunard Line, Feb. 15.
 To MANCHESTER.—Manchester Corporation, Feb. 8; Manchester Brigade, Feb. 22; Manchester Commerce, Feb. 27—all Furness, Withy; Daytonian, White Star-Dominion, Feb. 12.
 To LONDON.—Comino, Feb. 15; Wheatmore, Feb. 22; Ariano, March 8—all Furness, Withy.
 To ST. JOHN'S, Nfld.—Skipper, Feb. 19; Sable I., Feb. 12, Feb. 26—both Farquhar SS.: Sachem, Furness, Withy, Feb. 25.
 To BERMUDA, ST. KITTS, ANTIGUA, MONTERRAT, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Chaudiere, Feb. 12; Chaleur, Feb. 26—both R.M.S.P. Co.
 To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Fisher, C.G.M.M., Feb. 27.
 To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Volunteer, Feb. 19; Canadian Carrier, March 5—both C.G.M.M.
 To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, Feb. 24.
 To SANTIAGO, KINGSTON AND MONTEGO.—Andalusia, Pickford & Black, Feb. 10 and March 10.
 To AUSTRALIAN PORTS.—Canadian Constructor, C.G.M.M., Feb. 27.
 To NEW ZEALAND PORTS.—Canadian Miller, C.G.M.M., Feb. 25.

From Vancouver

- To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Russia, Canadian Pacific, March 6.
 To YOKOHAMA, KOBE, SHANGHAI, HONG KONG AND MANILA.—Empress of Canada, Canadian Pacific, Feb. 20.
 To YOKOHAMA, KOBE, MOJI, DAIREN, TAKU AND SHANGHAI.—Alabama Maru, Osaka Shosen Kaisha, Feb. 14.
 To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Paris Maru, Osaka Shosen Kaisha, March 2.
 To YOKOHAMA, KOBE AND HONG KONG.—Protesilaus, Blue Funnel, Feb. 18.
 To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Niagara, Canadian-Australasian Royal Mail Line, Feb. 10.
 To AUSTRALIAN AND NEW ZEALAND PORTS.—West Islip, Pacific-Australasian Line, Feb. 15.
 To WEST COAST UNITED KINGDOM PORTS.—Canadian Skirmisher, C.G.M.M., Feb. 25.
 To LONDON.—Loch Gail, early February; Grootendyk, middle February—both North Pacific Coast Line; Canadian Importer, C.G.M.M., Feb. 10.
 To LIVERPOOL.—Loch Gail, early February; Grootendyk, middle February—both North Pacific Coast Line.
 To MANCHESTER.—Pacific Trader, Furness, Withy, Feb. 9.
 To GLASGOW.—Gaasterdyk, North Pacific Coast Line, early February.
 To BORDEAUX, HAVRE AND ANTWERP.—Arkansas, Feb. 8; Georgia, Feb. 20—both Cie, Gle. Transatlantique (French Line).
 To ANTWERP.—Gaasterdyk, early February; Glamorganshire, late February—both North Pacific Coast Line; Canadian Importer, C.G.M.M., Feb. 10.
 To HAMBURG.—Gaasterdyk, early February; Glamorganshire, late February—both North Pacific Coast Line.
 To ROTTERDAM.—Gaasterdyk, early February; Loch Gail, early February; Grootendyk, middle February; Glamorganshire, late February—all North Pacific Coast Line; Justin, Holland-American Line, Feb. 24.
 To HAVRE.—Glamorganshire, North Pacific Coast Line, late February.
 To GENOA, LEGHORN, NAPLES AND TRIESTE.—Tagliamento, Navigazione Libera Triestina, Feb. 15.
 To WEST INDIES AND EAST COAST OF SOUTH AMERICA.—West Cactus, early February; West Notus, early March—both Pacific-Argentine-Brazil Line.
 To WEST INDIES AND CARIBBEAN PORTS.—Arkansas, Feb. 20; Georgia, Feb. 28—both Cie Gle. Transatlantique (French Line).
 To BAHIA BLANCA, MONTEVIDEO AND BUENOS AIRES.—Leikanger, East Coast South America Service, late February.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

H. R. Poussette. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

James Cormack. Address for letters—P.O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300. Office—Laidlaw Building, Szechuen and Nanking Roads, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Raboisen 8, Hamburg 1. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czecho-Slovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watermill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230; office, Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P. O. Box 683; Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

Straits Settlements

R. S. O'Meara, P. O. Box 121, Singapore. (Territory covers Straits Settlements, British Borneo, Netherlands East Indies, and Siam.) *Cable Address, Canadian.*

United Kingdom

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Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, February 13, 1926

No. 1150

TABLE OF CONTENTS

	Page		Page
Trade of the United Kingdom in 1925—		Tariff Changes and Customs Regulations:	
Part I	193	Importation of Wheat into New Zealand . .	218
Restrictions on Canadian Cattle in Man-		South African Preferences on Canadian	
chester	197	Goods	218
Pulp and Paper Trade of Bristol and South		Catalogues for the Dublin Office	219
Wales—Part II	198	Trade Commissioner A. B. Muddiman's	
Catalogues for the London Office	202	Forthcoming Visit to Canada	219
Trade of Ulster—Part III	202	Trade Commissioner E. L. McColl's Intended	
New Zealand Trade Review for 1925	206	Visit to Peru	219
External Trade of South Africa during 1924		Caucasian Agricultural Exposition	219
—Part XI	209	Opening in West of England for Wood Wool	220
German Lumber Market	213	Trade Inquiries for Canadian Products . . .	220
Catalogues for the Brussels Office	215	Foreign Exchange Quotations for the Week	
Certain Inquiries for West African Markets	215	ending February 8, 1926	221
Market for Sole Leather in China	216	Proposed Sailings from Canadian Ports . .	221
		List of Acts Administered and Publications	
		Issued	223
		Commercial Intelligence Service	224

TRADE OF THE UNITED KINGDOM IN 1925

TRADE COMMISSIONER HARRISON WATSON

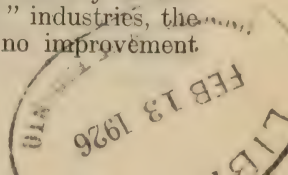
I

London, January 21, 1926.—The year 1925 finishes with a very general impression that the country is on the eve of better times. Indeed, it has been authoritatively reported that improvement has already taken place in several directions. Otherwise, without being unduly pessimistic, it is to be feared that 1925 must be pronounced a disappointing year, more especially as regards industries and export trade.

Until the autumn there was no general realization of the recovery which was so confidently voiced at the end of 1924. The Agreement then concluded at Locarno is the chief reason for the better feeling which now prevails, because, by creating a better international understanding, it promises to remove many of the principal causes of the prolonged commercial and financial depression which has persisted throughout Europe and most of the world.

In so far that anticipations of increased prosperity now rest upon a more solid foundation, it is to be hoped that the long-desired improvement is in the offing.

It is necessary, however, to bear in mind that the United Kingdom itself has still to solve a number of the economic and other problems which have so adversely affected most branches of trade and industry for the past five years. In 1925 unemployment was still rampant to an undiminished extent. Although there were increased dealings in imported products and greater activity in certain factories, more especially in what are known as "sheltered" industries, the situation in several of the great national industries exhibited no improvement whatever.



Coal mining has fallen upon evil days, and although the best brains in the country have been engaged throughout the year in an endeavour to find a remedy for the present deplorable condition, the problem is still unsolved. Shipbuilding experienced about the worst year on record, and the outlook is of the gloomiest. Iron and steel production is still at a low ebb, although towards the end of the year there was distinct evidence of slight amelioration.

Consequently, with every desire to make the best of things, it seems prudent to exercise a somewhat restrained attitude of optimism. Upon the other hand, it is equally necessary to avoid the undiluted pessimism which has been voiced by certain writers and speakers in this country and has created a thoroughly erroneous impression in many foreign countries. Public opinion in Great Britain has recently very properly taken exception to some of these exaggerated pessimists. Those who are unfamiliar with the British temperament do not understand that grumbling and self-depreciation provide to the Englishman the same spiritual relaxation which certain other communities and sects obtain from the practice of physical and mental laceration and torture.

Although Great Britain is still pre-eminent in power and virility, the war dealt a blow from which any giant would reel. The situation has been faced with characteristic fortitude, and already much has been accomplished. Complete recovery must be slow and accompanied by changes which in some cases are likely to remain permanent.

It might be suggested that a truer perspective is that the war has deprived the United Kingdom of many of the special advantages which rendered her position superior to, and different from, that of other nations, and that these competitors must now be met on equal terms.

First in the field, Britain at one time was not only the principal manufacturing nation, but largely controlled the shipping and financing of the world. These advantages, combined with cheap labour and cheap living, enabled her manufacturers and shippers to almost monopolize foreign trade.

Britain's influence still remains unequalled by any other country, but there is no longer any question of monopoly. Many of her former customers have developed their home industries, and placed a tariff barrier against imports. Moreover, many of these countries are now competing, and with success, in markets which Great Britain formerly regarded as her own, securing orders at prices against which British manufacturers are unable to hold their own owing to the greatly increased cost of home factory production.

Other countries have inaugurated their own steamship services, and are, moreover, building their own ships instead of having them, as in the past, constructed in British ports.

The prosperity of these islands has been largely dependent upon the maintenance of a regular export trade, sufficient to keep all factories busy. Moreover, as the returns from these transactions and certain other services rendered to overseas countries offset the abnormal quantities of food and raw materials which the United Kingdom has been obliged to import, it is appreciated that the new state of affairs must seriously affect the future, and for that reason result in important changes.

As an example, while the preponderance of imports over exports in 1913 was £133,914,413, it grew in 1925 to the unprecedented total of £395,360,790. At the same time, new conditions have played havoc with the services just referred to and which are described by economists as "invisible exports." This term covers a variety of items which cannot be shown in trade statistics. It includes income from foreign investments, and returns from shipping, transportation, finance and similar services rendered by this country. The war has swept away a large proportion of the country's formerly enormous foreign investments.

Dealing with this position, the President of the Board of Trade, in the autumn, stated that whereas it was calculated that "invisible exports" prior to the war furnished a net income which averaged £180,000,000, the figure had fallen by the end of 1924 to the insignificant sum of £29,000,000. It had consequently been feared that this surplus would have disappeared altogether by the end of 1925.

The Board of Trade, however, officially announces to-day that, after thorough investigation and overhauling of the accounts, it has been found that shipping earnings have been underestimated for some years past, and that the revised results show that the balance available at the end of 1924 was £63,000,000, and that there is still a favourable balance at the end of 1925 of approximately £29,000,000. The actual details as issued by the Board of Trade are reproduced in the section of this report dealing with the "Excess of Imports over Exports."

Needless to say, these considerations must drastically affect the pre-war situation, and involve changes in policy and methods which in some cases must be permanent. A notable illustration is in the gradual transformation in the country's fiscal policy. Indeed, the outstanding feature of the year was the adoption of the so-called "safeguarding" import duties.

These duties, supplemented by similar assistance for other manufacturers in the guise of luxury import duties on certain selected articles, ought to materially improve the position of the particular British industries affected. If their operation provides the anticipated palliative for unemployment, it seems certain that the remedy will be applied to still other industries, with the result that the previous doctrine of free trade, or free imports, will be greatly modified. At the same time there seems no prospect of a general tariff on imports.

This new policy, moreover, serves a dual purpose. The Prime Minister, when originally announcing the Government's intention of adopting the import duties, stated that a feature of the new regulations would be preferential treatment for the Empire, and so far reduced duties for the products of the Empire have been granted in the case of each article where safeguarding duties have been established. The position, therefore, is of direct interest to the dominions and colonies.

It is true that as far as Canada is concerned, the commodities upon which safeguarding duties have been imposed so far, namely: lace and embroidery, cutlery, gloves, and gas mantles, hardly enter into Canadian export trade at all. The re-introduction of the so-called "McKenna" duties which has restored preferential consideration for Canadian automobiles, forms part of the general policy.

If, however, as seems probable, safeguarding duties are extended to a number of other manufactured goods—and those now under consideration include packing and wrapping paper, and hosiery—it is the opinion of Canadian manufacturers engaged in these particular industries that the preference will be of definite benefit to Canada, although admittedly the gift cuts both ways.

A consequent advantage from the British point of view is that the new policy enables this country to provide a reciprocal return for the preference to United Kingdom products which has been granted, in the first place by Canada and subsequently by the other Dominions, and thus removes the one-sided treatment which has caused increasing dissatisfaction.

A chief cause of last year's unsatisfactory results has been the difficulties associated with the coal industry. Higher cost of production has closed foreign markets which formerly provided a regular outlet. This, supplemented by depression in British industries, has reduced the home demand, and the combined causes have shaken the British coal industry to its roots.

It is interesting to note that the Ministry of Labour has recently called attention to the position that the high figure of unemployment which prevailed

during 1925 is mainly due to the continual depression in coal mining. Statistics clearly show that there has actually been a considerable increase in employment in most industries, and especially those which are designated as "sheltered". The abnormal volume of unemployment among miners, combined with similar depression in the shipbuilding and one or two other industries, however, more than counterbalanced the very considerable decrease in general unemployment which would otherwise be shown by the figures.

This position greatly weakens the case of the pessimists, but a disquieting feature for the future of several of the traditional industries is the heavy transfer of labour to industries and occupations in which employment and wages do not have to meet foreign competition. Another favourable, if painful, feature is the acceleration attained in 1925 in the liquidation of the liabilities resulting from the ill-conceived post-war boom.

Mistaking the remarkable trade activity which succeeded the termination of hostilities as an indication of permanent expansion, many manufacturing and other enterprises entered into amalgamations which involved the purchase or acquisition of plants and assets at a valuation which proved to be fictitiously inflated. The ensuing deflation has created burdens under which many of these mergers have staggered vainly. There has been a growing realization that it is hopeless to earn profits under the present inflated capitalization, and during the year several very important companies have drastically reduced their capital to a figure commensurate with conditions which are likely to remain permanent.

THE COURSE OF PRICES DURING 1925

Prices play an important part in current trading, and also greatly affect the meaning of trade statistics. It is therefore important to note that there was a substantial fall in wholesale prices during 1925, and that the lowest level was attained in December.

According to price index prepared by the well-known journal *The Economist*, the index figure on the 31st December on a selected list of commodities, was 165.8 in comparison with 189.3 at the end of 1924, or a reduction of 12.4 per cent. The above index is based upon a figure of 100 as representing prices in July 1924.

The following reproduction of similar figures on the 31st December for the past six years shows that 165.8 is the lowest figure reached.

	Cereals and Meat	Other Food	Textiles	Minerals	Miscel- laneous	Total
December, 1920..	233	229	209	261	230	230.9
December, 1921..	159	180	180	164	168	169.6
December, 1922..	149	200	193	152	146	166.2
December, 1923..	148	231	225	167	136	178.6
December, 1924..	171	224	235	175	146	189.3
December, 1925..	162	193	182	158	141	165.8

A subject of common grievance, and a cause of much of the labour discontent which constantly breaks out, is the high cost of living. It is therefore interesting to note that according to the official table collected and published by the Ministry of Labour, retail prices fell only from 180 to 175. There is, moreover, general complaint that the official published prices are theoretical, in so far that it is impossible to find retailers whose prices do not largely exceed the official figures.

In an endeavour to remedy this unsatisfactory position, and to prevent unjustifiable profiteering, the Government has appointed a Food Council, whose duty is to keep a watch on food prices of all kinds and investigate the reasons which are responsible for the enormous increase in the price of an article between the time of its being placed on the market and finally reaching the consumer. The Council is constituted so as to represent all classes of the community and while the task set is obviously a most difficult one, matters are being grappled with in a manner which promises definite and valuable results in some directions.

FINANCE AND CAPITAL ISSUES DURING THE YEAR

The most important step taken in this country in 1925 was the reintroduction of the gold standard. This action was criticized at the time as premature, and there are still some dissentients, but it is now generally recognized as beneficial.

Otherwise, the most remarkable event has been the extraordinary rubber boom which has caused continued activity in the Stock Exchange. Although the current prices of rubber, and also of the shares of the companies which already existed or which have been floated, have attained dizzy heights, public interest and enthusiasm remain unabated.

While operations were necessarily restricted by the British Government embargo imposed upon foreign issues, the aggregate of capital flotations made during the year showed a considerable increase over similar figures for 1924.

An examination of the table indicating the comparative totals of United Kingdom, Colonial and foreign issues respectively, made within the past three years, discloses that the higher total of 1925 is largely represented by the Government Conversion Loan of £113,000,000. Upon the other hand, from the activity evinced since the removal in the autumn of the embargo on foreign offerings, there can be little doubt that the year's figures would have been much greater had it not been for the restriction in question.

Capital Issues made in the United Kingdom

	1925	1924	1923
United Kingdom	£245,107,936	£107,117,386	£156,448,739
Colonial	69,231,036	63,963,617	80,675,569
Foreign	30,250,102	71,446,872	49,152,672
	<u>£344,589,074</u>	<u>£242,527,875</u>	<u>£286,276,980</u>

While there is a growth in so-called "Colonial" issues, it is to be feared that Canada has not participated to any marked extent. For some years past there have been definite financial reasons, notably the question of exchange, which have rendered the London market unattractive to Canadian issues. These difficulties have now almost disappeared, but the unfortunate impression resulting from misunderstanding which have taken place are still prejudicial to Canadian borrowing upon a large scale.

It is unnecessary to go into further details, except to express the opinion that such antipathy as exists comes rather from the brokers than from the private investor, and it is to be hoped that the position will gradually right itself.

In the meantime, the firm establishment on the London market of a few of the high grade and remunerative Canadian securities of the type which find favour in Canada itself would do much to restore the confidence and interest of British investors generally.

RESTRICTION ON CANADIAN CATTLE IN MANCHESTER

In the report on the North of England Commodity Markets which was published in Commercial Intelligence Journal No. 1147, of January 30, 1926, reference was made to the fact that from January 10, the port of Manchester had ceased to be part of an infected area and hence Canadian store cattle could be sent to any inland district, free from foot and mouth disease, for fattening.

Writing on January 16, Assistant Trade Commissioner Harry A. Scott states, that unfortunately an announcement has just been made, that owing to an outbreak of foot and mouth disease in Salford, the port of Manchester has again been included in the infected area. While the restrictions remain in force it will be impossible for Canadian store cattle to be landed at the port of Manchester except for detention at the wharf or for slaughtering.

PULP AND PAPER TRADE OF BRISTOL AND SOUTH WALES*

TRADE COMMISSIONER DOUGLAS S. COLE

II

Kraft and Wrapping Papers

The Board of Trade Report dealing with the recommendations of the Safeguarding of Industries Packing and Wrapping Paper Committee, under the chairmanship of Sir J. B. Brunyate, K.C.S.I., is the keynote to the present market conditions for these types of paper. The findings of this committee have been reported by the Chief Trade Commissioner in the United Kingdom, London, and will not be dealt with herein. (Refer to *Commercial Intelligence Journal* No. 1142, page 645.) Suffice it to say that in interviewing the more important consumers and dealers in this area in reference to the justification for such safeguarding the opinions expressed were completely conflicting.

It is understood from a reliable source that the reason the recommendations of the "Packing and Wrapping Paper Committee" have been held over until next session of Parliament after being scheduled for December, is not owing to opposition in Parliament.

GENERAL CLASSIFICATION

Broadly speaking, there are six classes or types of the above which are as follows:—

Kraft, caps and sulphites, glazed casings, brown wrappings, royal bands, tubes and sugar papers, and common caps. There is no hard and fast rule as regards classification and in fact these are not generally recognized by the trade but will serve for the purpose of this report. The first three are wood pulp products, and as such are of chief interest to Canadian trade, particularly kraft. The latter three are made from waste material such as old paper and sacking and do not concern us particularly. As regards direct imports into the West of England and South Wales, M. G. kraft, unglazed kraft and M. G. sulphite constitute the bulk.

KRAFT

The West of England containing both packing and wrapping paper manufacturers in addition to many large users of same, it is inevitable that conflicting opinions should be encountered as to the effect of cheap imported supplies. It is admitted that kraft is coming into the country from Scandinavia, Germany and Canada at prices lower than similar paper can be manufactured here. The attitude of paper bag manufacturers and other interested trades located in the vicinity of Bristol is that they prefer English supplies but they are forced to go to the cheaper markets. It may be said with some truth that the English retailer does not care where he gets his wrapping paper so long as it is cheap and will wrap up his goods satisfactorily—these two views are not of necessity conflicting.

Weight for weight, kraft is much stronger than the brown wrapping paper manufactured in England. It should be noted that the manufacture of kraft in England has not kept up with Scandinavian and Canadian manufactures. It appears that a 60 pounds kraft may readily be substituted for a 100 pounds brown paper, and the former is particularly suitable for bag manufacture, for envelopes and for lining of cardboard boxes. The natural result has been increased imports from Scandinavia, Germany and Canada, and this is borne out by statistics.

Added to this is the fact that German employers have a 100 per cent advantage in wages (i.e., labour costs 50 per cent English), and Norway 75 per cent; also the German shift week is understood to be 144 hours compared with 132 hours in the United Kingdom.

* NOTE: The first part of this report appeared in our last issue.

The cost books of one large local importer show that before the war they were paying £13 to £13 15s. per ton for foreign and £14 for English kraft. Canadian kraft was then unknown on this market.

In 1925 prices were from £21 15s. to £22 10s. for foreign and colonial, with United Kingdom manufacturers asking anywhere from £4 5s. to £7 in excess of the above.

GERMAN KRAFT PRICES

Although German imports are decreasing, brought about probably by deflation, yet the opinion prevails that her kraft manufacturers set the pace as regards c.i.f. prices and that Scandinavians have to follow suit. During the years 1920, 1921 and 1922 German exports were a serious thorn in the flesh of the Scandinavian mills, for she flooded this market by reason of exchange. The paper importers agree that German papers affect the market prices out of all proportion to the quantity of paper offered, although Sweden is now the chief exporter.

CANADIAN KRAFT SATISFACTORY

Supplies of Canadian kraft have for some years been imported direct into Bristol and South Wales, and have been found most satisfactory. Prices for same are in line with continental supplies. Owing to a long drawn out dispute between a well known firm in the West of England and certain Canadian interests, the local consumption is not quite so large as it might be in Bristol. Canadian kraft is, however, in general use throughout the area. Compared with continental imports, Canadian total kraft imports into Avonmouth are not heavy and trade returns for the entire country indicate that as much kraft comes from the continent in a month as comes from Canada in a year.

Generally speaking, imports from Scandinavia are increasing whilst imports from Germany are decreasing. One explanation offered by an importer conversant with the trade is that Norway, whose normal market is China for a special grade of paper, has been out of that market and has been forced to find an outlet in England. This is notwithstanding the advance in exchange which makes it unprofitable for them.

PAPER BAG TRADE

The paper bag trade has grown to large proportions in this area and it is claimed that these manufacturers have brought their business to a highly efficient basis. The attitude adopted by these people in reference to safeguarding is that they do not care whether a duty be put on paper or not; but if there is a duty there must be one placed on bags also, or the effect will be for imports of bags to swamp the English market and put them out of business.

CAPS, SULPHITES AND OTHER CLASSES

Caps and sulphites are used largely by drapers and confectioners for wrapping and by textile manufacturers to wrap up textiles. Also they are used for the manufacture of bags, envelopes, wrapping tobaccos and cutlery. In fact so far as bag making is concerned sulphite is the leading paper.

English glazed casings are priced from £22 to £29 10s. d/d. Royal hands and sugar papers are essentially grocery papers suitable for packing up sugar, rice and other similar foodstuffs. Prices for this class range from £12 to £13 10s. d/d.

Tubes are largely used in cotton manufacture for covering spindles. For royal hands, tubes, sugar paper and common caps there is no very large importation from abroad, and this may be explained by the fact that these papers are all made from waste materials or as they say here a "home produced" material. There is some competition strangely enough through certain continental firms buying this "home" material, mixing with other material produced on the continent and when manufactured the paper is shipped back to England at prices which undersell the English producer.

Manufacturers of gummed and stay papers which sell in competition with string manufacturers draw their supplies from Canada and Sweden. They cannot buy sufficiently strong kraft from English mills and prices are too high for them.

Crepe paper is used for making cement sacks, tea cloths, paper handkerchiefs, and the raw material for this class of paper is M.G. sulphite from 18 pounds to 19 pounds and kraft from 22 pounds to 30 pounds. In this class of goods Canada is an importer rather than an exporter.

M.G. VS. UNGLAZED PAPERS

One point of interest is the increased use of glazed papers since the war, while the demand for unglazed papers has diminished. The probable reason is that consumers consider an M.G. paper more waterproof. Another plausible explanation is that many textile houses find after goods have been kept in stock some time that dirt accumulates, and they find they can keep the dust from an M.G. paper better than with an unglazed. This increased use of glazed paper also applies to the flour bag trade.

MANUFACTURERS AGENTS AND COMMERCIAL PRACTICE

Dealing now with sales methods in the West of England we encounter three classes—manufacturers' agents, merchants, and manufacturers. Manufacturers' agents do not deal exclusively with foreign papers, as might be expected, but one section of them represent British mills. Also a number, apart from representing their mills, do certain merchanting of paper on their own account.

Then there are jobbers who term themselves agents but who in reality handle anything in paper lines. As a rule, however, the bulk of the trade is contracted with recognized agents of specific mills, whether English, Scandinavian, German or Canadian.

In the case of big consumers of wrapping paper such as the huge confectionery firms located in Bristol and Birmingham, business is done, it is understood, either with the United Kingdom manufacturer direct or through a merchant.

It is also believed that large users thinking themselves above the necessity of dealing through an agent or merchant buy from the manufacturer direct believing they are doing close buying. Whereas in reality the price is no better, and the paper merchants claim the users lose the advice and selection of the whole market.

Pulp Board

Of the various grades and qualities of board offered in the Bristol area, possibly *nature* board is the most interesting to Canadian pulp manufacturers as Canadian supplies are being imported in considerable quantities.

This ground wood and sulphite board which comes from Canada is not quite analogous to the Norwegian grade as there is a distinct difference in the furnish and finish of the two. Canadian supplies are offered at approximately £18 10s. c.i.f. Avonmouth, and Norwegian at £19 5s. c.i.f. Bristol. Prices are dependent on difference in quality but give some idea of the present average price. To the above prices must be added 15s. from Avonmouth to warehouse Bristol for delivery and other charges, or 10s. from Bristol City Docks to warehouse.

Many years ago a type of grey board of a quality similar to the above was sold on this market so that this natural coloured board was termed *nature* to distinguish the two.

M.G. FINISH

There is a considerable demand for a folding board with a glazed finish on one side. This folding board has an M.G. sulphite finish and according to importers is not available from Canadian sources. Scandinavia and Germany

are the present sources of supply. One importer stated this class of M.G. finish is knocking out Canadian nature board and if available he would prefer to obtain his supplies from Canada. Prices naturally depend on the count per cwt. for standard sizes and thicknesses.

MANILA

Manila is used largely for folding box work and is either white lined or duplex. This grade of board comes largely from Norway and Sweden at prices ranging from £23 to £24 per ton. Some English supplies are available at £24 d/d Bristol, and German supplies are offered at £22 to £23 10s. per ton c.i.f. Avonmouth.

Enamel coated manila used for carton manufacture is priced at approximately £33 per ton d/d Bristol.

LEATHERBOARD

This grade of board may be divided into three types, or more, the chief one being fibre board, for use in the manufacture of such articles as travelling bags; secondly, board for use in the manufacture of shoes which is the true leatherboard; thirdly, waterproof leatherboard.

Leatherboard is also used for rigid boxes of great strength, and for this quality Norwegian supplies appear to hold the market as Canadian board is stated not to have the same degree of strength. Cheap German supplies are selling down to £15 per ton for glazed, and prices range for average Scandinavian supplies from £16 to £19 for friction glazed, depending on furnish and finish offered.

WOOD PULP BOARD

This is largely used for non-folding boxes. Supplies mostly from Sweden, Norway and Finland with Germany shipping a smaller quantity. Prices are approximately £14 10s. to £15 d/d Bristol for this class of board.

STRAWBOARD

This class of board comes almost exclusively from Holland, although certain so-called strawboard of English origin is found on the market. A basic price is about £7 per ton c.i.f. Avonmouth, which low price is explained by the fact that the raw material would be burnt if not thus utilized, and the Dutch mills are situated on canals adjacent to the seaboard which keeps transportation charges down to a minimum. To this c.i.f. price must be added 15s. per ton if c.i.f. Avonmouth or 10s. if c.i.f. Bristol, to cover dock and delivery charges. This class of board is much used for rigid boxes, such as shoe boxes, which are lined with paper.

CHIP BOARD

Chip board is made from waste paper and surfaced. Sold either sized or unsized, waterproofed or bleached. A wide range is offered of English manufacture, and prices depend entirely on finish, waterproofing or colouring. About £11 per ton would be an average d/d price.

GREYBACK AND NEWSBOARD

This grade of board is made from newspaper waste and is therefore largely of English manufacture. It is used largely for folding boxes and prices range from £14 to £16 depending on thickness of sheets and other variables.

STATISTICS

Statistics of United Kingdom imports of pulp and paper were published in *Commercial Intelligence Journal* No. 1141, dated December 12, 1925. Indi-

vidual port statistics are of little value in so far as the West of England and South Wales are concerned, as considerable deliveries are made from London by coastwise steamers and by rail. The figures for Bristol must therefore not be accepted as final but are valuable for comparison purposes only.

It might also be pointed out that considerable quantities of Canadian paper come via the port of Avonmouth for delivery to London or the Midlands.

Port of Bristol Paper Imports, Years ending December 31

Country of shipment	1913 Tons	1923 Tons	1924 Tons
Canada	2,168	1,199	1,898
United States	97	71	83
Holland and Belgium	15,833	16,063	16,639
Germany	762	7,179	7,601
France	64	360	400
Norway	4,121	2,534	1,901
Sweden	11,732	9,680	10,251
Finland . . . . .	....	....	293
	<hr/> 34,777	<hr/> 37,086	<hr/> 39,066

Port of Bristol Wood Pulp Imports

Country of shipment	1913 Tons	1923 Tons	1924 Tons
Holland and Belgium	305	....	....
Germany	419	....	....
Norway	880	10,855	8,415
Sweden	2,378	1,755	1,630
Finland	960	4,597	4,015
	<hr/> 4,924	<hr/> 17,207	<hr/> 14,060

In conclusion the writer would point out that London is the heart of the pulp and paper trade of the United Kingdom, and strongly advises Canadian firms to either appoint a good firm in London or to have their own representative visit this area in person. The appointment of provincial firms as representatives is not advisable.

CATALOGUES FOR LONDON OFFICE

Canadian exporters interested in the markets of the United Kingdom are requested to forward to the Canadian Trade Commissioner, Canadian Building, Trafalgar Square, London, S.W. 1, England, latest catalogues, price lists and, where practicable, samples, in order that the library may be brought up to date. Most of the catalogues on the files of this office are out of date and therefore cannot be properly used for consultation.

THE TRADE OF ULSTER

TRADE COMMISSIONER G. B. JOHNSON

III

[The following is the last instalment of Mr. Johnson's report on the Trade of Ulster. Part I and Part II appeared in Nos. 1148 and 1149 respectively.]

Ulster Industries

Ulster is an important industrial area of the United Kingdom, the products manufactured being mainly exported, and to every country. Her principal exports, in order of value, are linen, agricultural produce, ships, made-up goods, whisky, tobacco, machinery (mainly textile, heating and ventilating), rope, woollen goods and wearing apparel. The following reliable information is compressed from a booklet *Ulster* issued for the Wembley Exhibition by the Ministry of Commerce of Northern Ireland, with additions by the writer.

LINEN MANUFACTURE

Ulster holds first place among the linen manufacturing countries in the world. Her 1,000,000 flax spindles represent one-third of the world's entire flax-spinning capacity. The linen weaving industry possesses 40,000 looms. Approximately 65,000 of her people are directly employed in the linen industry, and another 60,000 find employment in subsidiary trades. Ulster's climate is particularly well adapted to the growing of flax and the manufacture of flax fabrics, as artificial humidification of the atmosphere is not required. The industry is carried on in almost every part of the Province, but is concentrated in the Belfast area.

The industry during the past few years has been passing through a period of acute depression, and the unemployment is given as about 30 per cent, but conditions appear to be improving. It is true that some people in the industry take a doleful view of the position, particularly in view of abundant cotton at fairly low quotations, as cotton goods are of course keen competitors of linens at appropriate prices, but pessimism seems hardly justified, taking a long view. Trade with the British Dominions overseas is increasing. These countries now take 32 per cent of British linen piece goods exported as compared with 25 per cent in 1912. These markets are held practically undisputed in every class of linen. It is reported by one authority that Australia takes 98 per cent of her requirements in linen piece goods, the same for New Zealand, and that Canada takes no less than 90 per cent of her requirements in tailors' holland and towellings in the web. He believes that this trade could be vastly increased if active encouragement, on mutually beneficial lines, was given to the extension of flax-growing in the millions of acres available in the Dominions. The few thousands of acres planted to flax in Ontario, which shipped to Ulster last year about \$134,000 worth, is of course a mere drop in the ocean of Ulster's flax requirements. The United States is of course the great market normally for British linen, but even in that wealthy country the demand has fallen off since before the war owing to high prices.

SHIPBUILDING

Belfast is one of the most important of the shipbuilding centres of the United Kingdom, and here is located the world-renowned firms of Harland and Wolff, and Workman, Clarke and Company. Since the war close attention has been devoted to the development of the internal combustion engine, and several large motor liners are at present under construction, including two large passenger liners of 22,000 tons. There are also shipbuilding yards at Londonderry and Warrenpoint.

While since the war the Belfast yards do not seem to have suffered to the same degree that has been the experience in all the yards on the Clyde and Forth and in England, the industry has been passing through a period of great depression, which will only be lifted when trade in general, and with it the ocean carrying trade, revives. One promising feature of the shipbuilding industry generally is the provisional agreement reached between the employers and the trade unions for the settlement of disputes, which have done so much in recent years to make bad conditions in the industry worse, and for the alteration of methods in the yards which have always added to the cost of construction.

ROPEMAKING

In Belfast ropemaking has grown up with the shipbuilding industry, and is concentrated in the hands of one firm, which employs 3,000 workers and a selling staff of 500 travellers and agents. Their products, which include all classes of ropes and twines, in addition to trawls and fishing nets, amount to 350 tons per week. Their export trade is extensive.

AGRICULTURE

The place of agriculture in the economic life of Ulster is of the utmost importance. More than half the population lives in rural districts. The province is taking an increasing share in supplying Great Britain with farm products, of which the most important are cattle, eggs, potatoes, poultry and grass seeds. With the exception of the Free State the exports of cattle to Great Britain were larger in 1924 than those of any other country, 175,000 head having been sent of a value of £2,733,000. Northern Ireland is the third largest supplier of eggs to the British market, the value in 1924 having been £1,893,000. The export of potatoes to this market exceeded that of any other country, the value in 1924 having been £1,148,000.

TOBACCO MANUFACTURING

This is carried on in Belfast and Londonderry and Ulster tobacco holds a leading place in the trade. The largest of the factories is stated to be the largest single tobacco factory in the world. It was Ulster that gave Irish roll tobacco to the world, and she still retains supremacy in this brand. The industry is capable of turning out 150,000 cigarettes a day.

WHISKY

Ulster contributes a substantial part of the whisky produced in Ireland, there being in operation in this province 12 modern distilleries, eight of which manufacture pot-still whisky, the other four producing the grain variety. The distinctive character of Ulster whisky is that it consists of a blend of pot-still and grain whiskies, combining the flavour of former with the digestive character of the latter. Exports in 1924 totalled £4,532,000.

AERATED WATERS

These waters have a wide fame, of which Belfast ginger ale is a product that is known almost everywhere. The special qualities of Belfast water appear to account largely for this pre-eminence.

SOAP

This industry is one of considerable proportions, the export of soap and candles in 1924 amounting to about £45,000. There are nine firms manufacturing this product, of which four carry on an important export trade.

TEXTILES

Irish tweeds are famed and popular. The industry has a good supply of native wool. The exports of woollens and wool yarns in 1924 were of the value of £836,000. The manufacture of shirts and collars is also an important industry and is centered in Londonderry and Belfast.

About 100 firms are engaged in the making-up trades, the cutting out, sewing, hemming and stitching of blouses, aprons, handkerchiefs, bed linen, tea cloths, cushion covers and so on, which employ about 30,000 people. Accordingly a large part of the linen goods used in all parts of the world leaves Northern Ireland exactly in the state in which it is purchased by the users.

ENGINEERING

Closely associated with shipbuilding and the linen industry is the general engineering trade of Ulster. Over 50 firms are engaged in this industry, mainly in and around Belfast. The production is mostly textile machinery, machinery for tea estates, ventilation fans, steam engines, electrical plant, water turbines,

agricultural machinery, equipment for tobacco plants, mineral water and tobacco factories and distilleries. The exports in 1924 were £1,863,000.

OTHER INDUSTRIES

There is also an important industry engaged in manufacturing felt and roofing materials. Other industries include flour milling, jam making, biscuit manufacturing, and the manufacturing of pottery articles and glass bottles.

MINERAL RESOURCES

Northern Ireland has always been dependent upon Great Britain for her coal supplies, but within the past few years boring operations in the Coalisland district to the west of Lough Neagh revealed the presence of a high-grade bituminous coal. Two shafts have been sunk, and mining operations are in progress. Ten seams have been discovered averaging three feet in thickness. It is estimated that there are over 200 million tons of coal in the district. The production of coal may mean the establishment in Northern Ireland of an iron smelting industry, large quantities of iron ore being available in County Antrim.

Besides coal and fireclay, there are important deposits of rock salt, bauxite, and the largest in the British Empire of diatom earth.

BELFAST AS A DISTRIBUTING CENTRE

Belfast has always been the principal distributing centre for imported products destined for all parts of Ireland, but the erection of a Customs barrier between Ulster and the Free State appears to have affected adversely this position, and now Belfast's distributing trade tends to be restricted to the six-county area of Northern Ireland.

BANKING

There are three banks domiciled in Ulster. The Northern Banking Company was established in 1752, and has an authorized capital of £3,500,000, a reserve fund of £800,000, and deposits of £15,654,000. There are 192 branches in Ulster and the Free State. This is the only bank having its head office in Northern Ireland which remains unaffiliated with any other British bank. The Belfast Banking Company, Limited, also dates from 1752. The present authorized capital is £2,500,000. It has a reserve fund of £600,000, and deposits of over £15,000,000. This bank has been affiliated with the Midland Bank, since which time, in accordance with the policy of the Midland to have no branches outside the United Kingdom, its branches in the Free State have been disposed of. The Ulster Bank was established in 1836. It has 114 branches and 100 agencies. The authorized capital amounts to \$3,000,000 and there is a reserve fund of £900,000. The deposits amount to over £21,000,000. The Ulster Bank is now affiliated with the Westminster Bank. Each of the three banks issues its own notes. There are several other banks having their head offices in London and in Dublin, which have branches throughout Ulster.

THE PORT OF BELFAST

The port of Belfast stands in the front rank of British ports, and is the chief seaport of Ireland. Its natural advantages, the commercial enterprise of its people, and the progressive policy of its Harbour Commissioners account for its pre-eminence.

Located at the upper end of Belfast Lough, a natural bay about 12 miles long, it affords a commodious and sheltered harbour for ships of all sizes by means of the deep water approach channel, which is excellently buoyed and

lighted. Its small tidal range renders dock gates unnecessary, as vessels can proceed directly to and from their berths at all times. The quays, which afford berths for vessels drawing up to 30 feet at low water, have an extent of nearly 6 miles, and roomy and well-lighted sheds have been provided in which goods can be expeditiously handled. Over 11 miles of railway lines and sidings have been laid on the quays by means of which direct connection is maintained with the railway systems. The graving docks, of which there are several, are among the finest in the world, and can accommodate the largest vessels afloat. The port possesses an extensive equipment of cranes, both steam and electric, ranging from a capacity of 2 to 10 tons for ordinary loading and discharging, with special cranes for heavy lifts up to 120 tons. An important scheme is in hand for the additional accommodation of ships of deep draught. This will comprise a quay of 1,300 feet long, having a depth of 30 feet at low water along its whole length, together with 600 feet of improved quayage for the Continental trade, supplemented by a modern shed with railway lines, etc. The tonnage of imports and exports of goods during 1924 amounted to 3,319,000, and there has been a progressive increase since 1921. The tonnage of vessels entering and clearing during 1924 amounted to 6,418,000, and there has been a progressive increase since 1921 in this respect also.

THE PORT OF LONDONDERRY

Londonderry is the chief port on the northwest coast of Ireland, and is situated on Lough Foyle. The channel from Moville to Derry, a distance of 20 miles, is well marked and lighted, and, in its shallowest part, has a depth of not less than 24 feet at high water of spring tides. The port provides accommodation for vessels of 400 feet in length and a draught of some 22 feet. Regular steamship service is maintained between the port and various ports in England and Scotland. There is a considerable import trade in maize from abroad, as well as direct trade with the Continent and the United States. The tonnage of vessels which entered the port during 1924 amounted to 979,000. Owing to its position Londonderry is the natural distributing point for the northwest of Ireland. The equipment of the port is up-to-date, with numerous cranes, two miles of quays, commodious sheds and warehouse accommodation.

NEW ZEALAND TRADE REVIEW FOR 1925

TRADE COMMISSIONER C. M. CROFT

Dunedin, N.Z., December 29, 1925.—Financial conditions generally can be said to have shown a firmer tendency during the year just ending, particularly during the past few weeks. The current rate of interest for gilt-edged first mortgage securities has continued at from 6 to 6½ per cent.

Both primary and secondary producers have found it somewhat difficult to raise money by first mortgage, and lending companies report that the demand could not be fully met in that it considerably exceeded the supply of money available for this particular kind of investment. These conditions still pertain, and it is not unreasonable to suppose that higher interest may be demanded in the future, while on the other hand there will be available four or five million pounds sterling which the State Advances Department is raising for mortgage purposes. It would appear that local bodies (city and borough councils, power boards, etc.) have alone been able to command whatever money they required, and no doubt much of the money formerly available for mortgage finance for both town and country securities has found its way into the coffers of the local bodies. At the annual conference of New Zealand chambers of commerce held in Dunedin last month, the matter of local bodies' finance was discussed. The

conference expressed alarm at the indebtedness of local bodies, and asked the Government to inquire into the matter with a view to checking any unnecessary borrowing.

The Association of Chambers of Commerce also considered that in view of the fact that the production and export of New Zealand primary products were of first importance to the Dominion's welfare and trade, companies and other organizations having money to lend should consider favourably first mortgage investments on farm lands.

During the year the banks have apparently not been able to discover any practical way of dealing with the exchange rate. Overdraft interest rates remained unchanged, and reasonable finance has been extended by the banks for legitimate business requirements.

THE DRAPERY TRADE

Trade in drapery lines during the past year can only be characterized as fair. During the first six months business was average, but the spring and summer have not been very satisfactory. The unsettled weather, which always affects the drapery trade, has probably been the main disturbing factor, but there is a feeling of caution and restricted buying. The drop in price of primary products has without doubt affected the country trade.

IRONMONGERY AND HARDWARE

During the past twelve months the ironmongery trade has had periods of fluctuation. The volume of business done has been greater than during 1924, more particularly in small ironmongery. Large sums covering milk supplies have not come to hand, and this feature must have affected the trade. Merchants are, however, satisfied that the opinion expressed at this time last year that improvements could be looked for, have been realized. Prices have not undergone much change. Certain continental lines which have been absent from the market for some years have again made their reappearance, thus tending to bring down the price of British manufactured goods. This drop is estimated at about ten per cent but it is not expected that prices will come down to anything approaching the pre-war level. European manufacturers of ironmongery have pushed their lines rather keenly, and it was thought that British firms would have resented this intrusion, and would make a substantial reduction, but this has not been done, although some companies are prepared to adapt themselves to the changed conditions and meet present day requirements.

Aluminium ware continues to be popular, not only in ordinary households but in hospitals and other large institutions. It has been estimated that there are probably ten aluminium articles to every two of enamel and one of cast-iron sold at the present time.

The increased interest taken in building has kept the hardware trade fairly busy, but the tendency has not been in the direction of reduced quotations; in some lines prices are a little easier than they were twelve months ago, but as long as the cost of manufacture remains high, no great reduction can be anticipated. Some builders' requisites, such as lock sets, show a reduction of about ten per cent while brushware on the other hand has increased by a like amount during the past year, due, it is understood, to the increased cost of raw material. Crockery, glassware, and certain fancy lines show a reduction in price, but, on the whole, no great change has taken place.

BUILDING

As far as Dunedin is concerned the building trade has had a very busy year, the permits issued during 1925 being nearly 20 per cent more than were

issued in 1924. It must be admitted that a large proportion of the new buildings have been connected with the New Zealand and South Seas Exhibition, but at the same time there have been many new offices, etc. constructed, to say nothing of residences and cottages. It may safely be said that the builders as a class have had an exceedingly good year.

BOOT TRADE

The dealers in footwear are not cheerful when a review of the past year's business is asked for. It is said that the year began well enough but trade fell away badly during the winter months. It has never recovered and the advent of the Exhibition has added further to the depression as far as this city is concerned. Several contributing causes can be found for this condition. There has been very unseasonable weather; over importation has also affected the trade. The epidemic of infantile paralysis in the early part of the year had a very depressing effect on business.

As to leather, there has been practically no change in prices during the past year, what alteration there was being in the nature of a trifling advance. The market now appears to be steady. There has been a considerable advance in crete and in rubber.

THE MOTOR TRADE

The consensus of opinion among the motor dealers of Dunedin is that the success of the past year's trading far exceeds that of previous years. Agents for the more popular makes of cars report that sales this year have been particularly good; as a matter of fact one agent says that his next four shipments are already sold. The well-known Canadian and United States motor cars still command the market here.

Recent fluctuations in the rubber market have resulted in an all round increase in prices of tires and tubes, the former having increased about 15 per cent and the latter about 25 per cent.

What might be termed a mild boom has set in during the past few months in heavy motor vehicles and internal combustion machinery for farm and transport work, and by the sales reported it would seem that those who demand a method of economical and fast haulage, or a means of eliminating much of the manual labour which goes hand in hand with farming, have realized that the day of the motor is here.

FANCY GOODS AND TOYS

Practically all the cheaper lines of fancy goods and toys put on the market during the past year had their origin in Germany. Numerous regulations hampered Germany's operations for a few post-war years, but she now appears to have overcome such difficulties, because the feature of the fancy goods and toy trade for the year has been this big import trade of German goods. Very little Japanese merchandise has appeared during the past twelve months. Great Britain still has a good proportion of the trade in better grade fancy goods and toys.

From the reports of toy dealers it appears that fancies of the boys are changing, they being no longer satisfied with wooden toys and simple spring models. The present day boy wants to make his own toys and then to be able to take them to pieces again. This trend led to a substantial increase in the sale of such materials to enable the rising generation to make models of objects which appeal to their fancy.

Some retailers have noted an increase in better-class stationery lines, sales of linen-faced paper having increased considerably, while at one time stationery sales were confined mainly to ordinary bank paper.

DAIRY PRODUCE

A bad season and an untimely shipping strike have combined to make the dairy produce industry anything but promising. From all over New Zealand come reports of decreased returns, and this, with the delay occasioned by the shipping trouble, has made dairy farmers pessimistic. As regards dairy produce shipped this year, the most noticeable feature is the alarming congestion of shipments. In January alone 15,000 tons of butter will be landed in Great Britain from New Zealand, as compared with 8,200 tons for January, 1925. The cheese exports for arrival in January, 1926, are 13,200 tons, as against 8,500 tons for January, 1925. This large increase in both commodities must have a weakening effect on prices and will, no doubt, supply one of the causes for the difference between this year and last.

WOOL

A glance at market reports reveals the fact that the wool grower must reconcile himself to much lower values than those obtained last year. From December to March last season the wool market fell considerably until at the close of the sales prices were 9d. to 1s. below the opening average. The market this year is characterized by an element of uncertainty which is disquieting, but stable conditions are in sight. Present prices are lower than last season's closing rates, and there is little reason to suppose that any appreciation in values is imminent. Despite many depressing features the outlook is not viewed with alarm.

GRAIN

The position as to wheat has not been altogether satisfactory during the past year. For some time past New Zealand has not been producing the quantity of wheat required. During the war the Government controlled all wheat supplies, and when this control ceased the millers and growers agreed as to prices, which ran from 6s. 5d. to 6s. 9d. f.o.b. It was thought that with the prices definitely fixed farmers would plant greater areas in wheat; this would probably have been done had the weather been more favourable. As it is, however, it is estimated that over 3,000,000 bushels of wheat will be imported during 1926. The Government is to control again the sale and importation of this commodity.

Supplies of oats have been sufficient to meet the demand; the area being put under oats is gradually growing less as the increasing use of motor cars is restricting the demand. Prices opened early in the year at 3s. 6d. in the country, but this figure was soon passed, and as high as 4s. 6d. was paid for supplies. Canadian oats have been imported in fair quantities.

EXTERNAL TRADE OF SOUTH AFRICA DURING 1924

TRADE COMMISSIONER G. R. STEVENS

XI

Imports of Machinery and Tools—*Continued*

[Imports and exports of South Africa were discussed in general terms in the first instalment of this report, which was published in Commercial Intelligence Journal No. 1130; Foodstuffs Imports in Nos. 1131 and 1132; Textiles and Clothing in Nos. 1133 and 1134; and the first, second, third and fourth parts of Machinery and Tools in Nos. 1143, 1144, 1147, 1148 and 1149. Further instalments of this report, which deal with the import trade of South Africa in the light of the recent revision of the tariff, will be published in later issues.]

	HORSE SHOES	1924	1923
Great Britain		£18,126	£18,540
All suppliers		19,674	22,948

Canada at one time had a share of this business, and the United States formerly had quite a fair share. For reasons that are not quite clear, Great Britain

appears to monopolize this supply at present, although, as noted elsewhere, Canada still retains her trade in horse-shoe nails.

CHAINS—HAULING

	1924		1923	
	Centals	£	Centals	£
Great Britain	15,641	24,248	9,244	18,660
United States	5,405	11,243	4,587	8,870
All suppliers	23,190	38,974	14,982	29,299

The imports of trek chains are increasing yearly. It is a valuable business dependant upon quality, as in this item cheap goods are not attractive. The United States supplies considerable quantities of bright electrically welded chains. Great Britain's business is in the cheaper black types. It should be possible for Canadian manufacturers to increase their trade in this item, as American types of chain are popular.

STOVES, RANGES AND PARTS

	1924	1923
	£	£
Great Britain	79,592	87,326
Sweden	18,023	15,192
United States	24,886	30,041
All suppliers	133,025	144,824

This item covers all types of cooking equipment, except electrical appliances, which are discussed elsewhere. (See *Commercial Intelligence Journal* No. 1148, dated January 30.) The bulk demand, which is represented by the British and Swedish figures, consists of a somewhat heavier and rougher casting than is used in Canada. The stove imported is considerably larger than the average Canadian stove. It does not rest on legs, but sits into a niche built in the wall directly under the chimney. In many cases, particularly in the rural areas, a platform for the stove has been built in the old fireplace. Fire boxes are large, either of the wood- or coal-burning types. The oven accommodation is not as spacious as in Canadian stoves, nor is heat circulation as well arranged. There are as few fixtures as possible, both in order to keep the price down and because the domestic help of the country does not need or appreciate conveniences.

It is doubtful if Canada can compete in this trade, which is held by a few Scottish and Swedish foundries. The prices of the castings are far below any Canadian offerings. A Scottish manufacturer offers a stove, roughly of the size and description of the cheapest Canadian "No. 6," at 30s. (\$7.27) c.i.f. Cape Town. This same firm are commencing to cast stoves in South Africa through a branch plant which to date has been occupied with kaffir pots. It would therefore appear as if a fair percentage of the overseas trade will revert to this manufacturer.

There is a small demand upon the Rand for ranges of American types, due to the considerable influx of American population in the mining districts. This trade will undoubtedly develop, but it is also certain that it will be restricted to that area.

There is no market for stoves of any type for strictly heating purposes.

Gas stoves are growing in favour as service conditions improve in the principal centres of the Union. It is only in the large towns, however, that gas is available, and there electricity is being popularized more rapidly than gas.

A number of different Canadian gas stoves have been imported in the past, and while their general appearance and quality was appreciated, they were not too successful, due perhaps to the fact that English practice in the use of gas differs from that for which the Canadian stoves were built. Complaints were made regarding the burners of Canadian stoves, it being considered that they were unduly extravagant in the expenditure of gas. It is quite possible, however, that lack of knowledge of the Canadian article was responsible for this complaint.

The American figures represent almost entirely one make of oil stove, which is distributed by one of the principal oil companies as an incentive to the use of paraffin. The same instalment plan system is followed as in other parts of the world and it is practically impossible to sell oil stoves of the same type against this competition. One British stove is distributed by the same company and represents a cheaper type of equipment.

A fair number of South African homes possess an auxiliary oil stove of the small one- and two-burner types. This appears to be largely a Continental and Swedish trade, a few brands dominating the market.

LAMPS AND LANTERNS

	1924	1923
Great Britain	£ 4,553	£ 14,817
Germany	10,690	65,997
United States	8,328	17,437
All suppliers	24,742	100,384

The drop in imports as shown in these statistics is unreal, being due to greater differentiation of this item in the 1924 Customs returns. Canadian firms have made repeated efforts to increase their business in these lines, as it was felt that the rural requirements of South Africa should be analogous to those of Canada. It has been found extremely difficult, however, to make any headway. For those who recognize quality in a product, one lantern (American) is so well known, and offers such excellent value, that it is difficult to introduce competitive lines. For others, Germany offers cheaper goods at immensely lower prices. The quality of Canadian lamps and lanterns has been recognized by some of the larger importers, and they state their desire to stock them if they can be introduced. Canadian prices to date, however, have made such undertaking impossible.

ENAMELLED WARE

	1924	1923
Great Britain	£ 48,250	£ 35,284
Germany	82,652	73,549
Sweden	8,340	7,608
All suppliers	147,219	123,774

Germany reasserted her pre-war predominance in stamped and enamelled goods soon after the war, and has definitely taken control of the South African market. Moreover, the usual complaint of cheapness without quality cannot be alleged against these German manufactures, as in most lines of enamel ware her goods are excellent value for the price. As the majority of importers point, out, there is a general handiness and convenience about German lines which is appreciated. For instance, a Canadian kettle comes out equipped with a plain wire bail, whereas a very similar German article, at a much lower price, has a broad stamped handle shaped to the hand, improving alike the appearance and convenience of the kettle. The South African trade has not developed to the point where it will pay the prices for the best type of goods, such as multi-dipped lines in higher qualities. Nevertheless, an improved demand is to be noted in the towns, and to this demand Great Britain caters strongly.

There are one or two British lines of enamelled and japanned ware which are seen everywhere, their manufacturers having wisely decided to popularize their brands. These British goods are heavier than similar Canadian shapes and they represent very high quality kitchenware. Great Britain likewise does well in tinware and is outstripping Germany in aluminiumware. This latter division of the demand constitutes an increasingly important trade. The reputation of German aluminiumware was exceedingly bad for some years after the war and British makers took full advantage of this circumstance. The German quality is now improving, but British goods are well liked and will probably hold the market.

One Canadian price list of aluminiumware was carefully checked against similar German and British numbers and was found to be between 15 per cent and 20 per cent higher in price. This puts it out of the market, particularly as Great Britain now has a 5 per cent preference upon all kitchenware which Canada does not share.

BEDSTEADS

	1924	1923
Great Britain	£56,059	£49,130
All suppliers	58,925	53,024

Since the war Great Britain has not been challenged as a supplier of bedsteads, and the trade will probably remain a Birmingham monopoly. The principal British suppliers have given a great deal of attention to this market. They have popularized a few types of beds and it is nearly impossible to persuade importers to try any other types. The cheapness and excellence of the British product results in marked predominance.

Bed springs are now manufactured in South Africa and there is a certain market for imported springs, bed-spring wire, frenchers and similar accessories.

FIREARMS

The Customs statistics on this item are differentiated to a greater degree than is necessary in a general report such as this and therefore they are not included.

There are approximately 7,000 firearms of all types imported into South Africa each year. Rifles account for almost half this amount. The average value of rifles imported is in the neighbourhood of \$19 each. Great Britain, Germany, and the United States divide the trade, with Great Britain supplying about two-fifths of the total.

The rifles imported are all types and variety but consist of three principal groups. There are the small calibre arms of the .22 type, for use on small game; the single-shot rifle is preferred in such calibres. High-power guns are coming into favour in small sizes. The next group consists of moderate weights sporting arms of approximately the same type as American high-velocity rifles. A calibre in the neighbourhood of .30 is popular. For the most part a bolt action is preferred to any other. The last group consists of a limited number of high-powered large-calibre guns of the British express type, for use on big game.

An effort has been made during the last year to introduce the small sporting rifles of a Canadian firm, who have quoted competitive prices upon their goods. It was found, however, that both Belgium and Birmingham offered a better quality at practically the same price, and that the particular characteristics of European arms were more appreciated than the innovations of the Canadian rifle. In addition the duty upon rifles is a specific levy of £1 per barrel, and this destroys the incentive of importing particularly cheap firearms.

Shotguns and fowling pieces amount to about one-fifth of the total imports and here, likewise, Great Britain is predominant. The only competition comes from Belgium in the cheaper ranges of the demand. As a very considerable proportion of shotguns imported are brought in by tourists, they represent the better grades of manufacture, and this accounts in some degree for British predominance.

The remaining half of the trade consists of pistols and revolvers, which are as popular in South Africa as in most young countries. The trade is divided between Great Britain, Germany, and the United States, with German goods making the most marked progress.

CROWN CORKS

	1924		1923	
	Gross	£	Gross	£
Great Britain	420,357	20,583	198,226	11,354
United States	85,966	3,553	36,880	1,474
All suppliers	525,273	25,135	246,518	13,432

Canada has been slightly high in her offers of crown corks, particularly in better types, such as multi-lacquer and embossed types. Embossing must cost more in Canada than in Great Britain. Initial orders have been forwarded on behalf of one Canadian supplier during the past year, and it is hoped that the trade will progress. Composition linings are preferred to cork, and Canadian exporters should quote both varieties.

The average price for crown corks, with one coat of lacquer, unembossed, with composition linings, is in the neighbourhood of 18 cents to 19 cents per gross c.i.f. South Africa.

GERMAN LUMBER MARKET

TRADE COMMISSIONER L. D. WILGRESS

Hamburg, January 15, 1926.—The lumber trade in Germany is at present experiencing the full consequences of the prevailing economic depression and of previous speculative activity. During the last few months there have been a considerable number of failures among lumber dealers and wood-working concerns, in some cases large and old-established firms being involved. There are large stocks of unsold lumber in the yards of most dealers and cut prices appear to be the rule. Payments are slow and unsatisfactory and the funds of dealers are tied up in customers' acceptances which they are unable to discount. Under these circumstances it may be expected that unsold parcels of lumber will be imported during the next few months in very small quantities and only after satisfactory assurance of a ready market.

The present situation in the lumber trade is the consequence of the financial crisis and trade depression in the wood-using industries as well as of over-estimation of the demand on the part of dealers. During the first half of 1925 considerable quantities of Baltic lumber were imported in anticipation of increased building activity and larger turnover of the wood-working industries.

The well-known Hamburg firm of lumber brokers, J. F. Müller & Sohn A.-G., estimate that during the period January to November, 1925, there were imported into Germany approximately 82,000 standards of lumber from Finland, 45,000 standards from Sweden, and 40,000 standards from Russia, chiefly from Leningrad. In addition, imports from Poland were larger than in the previous year.

The lumber trade journal, *Holzmarkt*, estimates total imports of sawn lumber into Germany during the ten months January to October, 1925, at 3,301,000 cubic metres as compared with 1,257,000 cubic metres in the same period of 1924.

In the summer it became apparent that the anticipated demand for lumber was not likely to materialize and with the fall of prices for Northern lumber the situation was very unsatisfactory for the trade. This was further aggravated by the development of the financial and economic depression in the last few months of the year.

BUILDING ACTIVITY

In spite of the acute housing shortage in Germany, the anticipated building activity did not materialize last year due to the shortage of capital, the continued control of rents, and the high taxation of property.

According to an article in the *Hamburgischer Correspondent*, the new buildings erected in 1925 about equalized the normal increase in households. It is estimated that the increase in households requires the building of 150,000 dwellings annually. The average of new dwellings erected in the period 1919-24 was approximately 110,000, so that there is now a shortage in Germany of between 400,000 to 500,000 dwellings. It should therefore be necessary to build about 250,000 new dwellings annually for the next five or six years in order to alleviate the present shortage and keep pace with new requirements.

The experience of the past building season has shown that the building of houses containing flats has increased in proportion to the building of single dwelling houses. There has been a marked decline in the construction of factory buildings. The construction of public works, which up to recently had been very active, has also considerably fallen off. It would appear that the municipalities and other public bodies have been guided by a false optimism in regard to the economic situation and taxation receipts and that, as a consequence of the heavy expenditure already incurred, they have now to practise strict economy.

The outlook for the coming building season is not considered very favourable owing to the general shortage of capital, although the easing of the financial stringency and the lowering of interest rates should gradually tend to rectify the position in this respect.

OTHER WOOD-USING INDUSTRIES

The present situation in the other wood-using industries is also very unfavourable to the demand for lumber.

The shipyards are feeling the effects of the present depression and the total tonnage under construction in German yards on December 31, 1925, was 234,145 tons as compared with 355,250 tons on the same date a year previously. Nearly all the yards complain of a lack of orders. The Deutsche Werft, Hamburg, which has been the busiest German yard during the past year, is faced with a total cessation of new construction on the completion of the five motor ships now being built for English account. Messrs. Blohm & Voss, Hamburg, have recently laid down a fourth 20,000 ton liner of the *Albert Ballin* class for the Hamburg-America Line, and this will assist the yard in tidying over the present depression. On the whole, therefore, no great demand for lumber can be expected from the shipyards during the next few months.

Lessened activity is also reported from the other wood-using industries, such as the furniture industry, the veneer and ply-wood factories, and the hardwood flooring manufacturers. The general complaint is a restricted home market and insufficient foreign orders for the products of these industries. Up to the latter part of 1925 these industries have mostly enjoyed a period of almost uninterrupted activity.

IMPORTS OF CANADIAN LUMBER

The most satisfactory feature of the German lumber trade during the past year from the Canadian point of view has been the greater interest shown in Douglas fir lumber from the Pacific Coast. Messrs. J. F. Müller & Sohn A.-G., Hamburg, in their annual report on the lumber trade write, regarding Pacific Coast woods, as follows:—

There was a more active turnover in Oregon pine sawn material. If this wood is not equal to pitch pine, it nevertheless possesses sufficient valuable qualities to enable it to be used in many cases as a substitute for that wood. It is, moreover, somewhat cheaper in price.

Oregon pine in logs as raw material for the veneer and ply-wood factories makes slow progress. In spruce there was only a moderate turnover during the past year.

Several of the leading lumber agents in Hamburg and Bremen have recently formed connections with exporters in the Pacific States and British Columbia and there is no doubt that Douglas fir will be used to an increasing extent in Germany as a substitute for pitch pine. There continues to be a prejudice against this wood as compared with pitch pine, owing to the claim that the latter is better able to withstand wet weather on account of its resinous quality. This prejudice may be expected to restrict the outlet for Douglas fir in the German market for flooring and other building purposes.

The chief specifications required for Douglas fir clears, in inches, are: 1, 1½, 1¾, 2, 2½, 3, 4, and 5; 10 or 11 and wider; 10 to 32 feet long.

Hitherto the chief use of Douglas fir lumber in Germany has been for decking. There continues to be openings for the sale of Douglas fir deckings, but this trade requires special attention on the part of the mills supplying the stock. The chief specifications in inches are 2 by 5, 2½ by 5, and 3 by 5, in lengths from 18 to 40 feet.

Only small quantities of British Columbia spruce have been imported into Germany. There have been some sales of aeroplane stock, but efforts to popularize the use of this wood for other purposes have not been so successful. For piano sounding boards British Columbia spruce has to compete with Eastern spruce from the Carpathian districts of Poland and Czecho-Slovakia, which is about one-third cheaper in price, and being lighter in colour is preferred for this purpose.

From eastern Canada the only import during the past year has been of figured birch logs for furniture manufacture. There was an inquiry for maple flooring and eventually four carloads were imported from Michigan, but it is reported that the possibilities for the import of this line into Germany are very limited.

In conclusion it is important to bear in mind that the German market cannot offer a very large outlet for Canadian lumber, owing to the existence of large forested areas in Germany itself and in neighbouring countries, which provide the bulk of the lumber used in the country. The openings for Canadian lumber are therefore largely restricted to those woods which have special qualities or of which there is a shortage in Europe.

CATALOGUES FOR BRUSSELS OFFICE

Canadian exporters who are interested in the Belgian market or who are desirous of extending their export trade thereto, are requested to forward latest catalogues and price lists to the Canadian Trade Commissioner, 98 Boulevard Adolphe Max, Brussels, in order that the library of the Brussels office may have the most recent editions possible. Many of the catalogues at present in the possession of this office are out of date and therefore cannot be properly used for consultation by Belgian importers.

CERTAIN INQUIRIES FOR WEST AFRICAN MARKETS

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, January 14, 1926—An inquiry has been received at the Liverpool office from a commission agent wishing to get in touch with Canadian firms who can supply pickled pork for the West African market. The market for this commodity fluctuates considerably, depending on price, as it is looked upon as a luxury, and the native demand goes off entirely when a level of value is reached beyond their purchasing capacity. In past years, United States' shippers have done a certain amount of this trade, but lately American offers have been too high. Pickled pork is also supplied by English merchants who prepare and pack it for the West African trade, and shipments have been made from Denmark, which country has also done a fair trade at various times in pigs' feet.

Pickled pork, suitable for West Africa is composed of sound meat of cuts unsuitable for home consumption, and must be free from large bones and hocks. Shipments are usually made in strong barrels of 200 pounds net, or tierces of 300 pounds net, packed with brine. The container must be tightly coopered to avoid leakage, as otherwise the meat becomes putrid in transit through the tropics and is condemned on arrival by the West African Port Medical authorities.

There is a fair trade done by United States' exporters in pickled beef, in 200 pound barrels, when trans-Atlantic offers are competitive with quotations on beef pickled in this country. In October last, American boneless flank beef was being offered at around \$19 per barrel net, plus 2½ per cent buying commission, f.o.b. New York, and business was possible at this figure. American prices, since then, have steadily advanced and recent offers at \$24.50 have not been competitive with other sources of supply.

An inquiry has also been received for Canadian quotations on sugar for West Africa. The bulk of this trade is done in cube sugar, although business is also transacted in fine granulated. English competition is strong, but shipments are also being made by United States refiners. Cube sugar is usually sent in barrels containing 280 pounds net, but quotations are made per 100 pounds. Recent American prices have been around \$4 f.o.b. Atlantic seaboard, plus 2½ per cent buying commission.

In considering West African business, Canadian exporters should realize that the demand is almost entirely a native one, and that this consumption is governed by price to an extent that has no parallel in white countries. Native demand is fluctuating and uncertain, and an advance in the value of a commodity may easily make its use prohibitive. Several instances have been reported where the sales of certain lines have fallen off completely, owing to the native demand switching to something else, or going without altogether.

Established brands have a particularly strong hold upon the native mind, and it is only by persistent effort that competitors can gain a foothold. An outstanding example of this is in the case of the flour trade. North American flour going to West Africa is chiefly in the hands of two well known United States millers, and the success of both firms can be attributed in great measure to their established trade marks and methods of packing.

In the case of the three commodities mentioned above, business would be secured by the agent from West African merchants in England, to whom the goods would be invoiced. The shipments, however, would be made direct from the Atlantic seaboard to West African ports. Terms are usually three days draft, against acceptance of documents in England.

The names of two commission firms, interested in these commodities have been forwarded to Ottawa, where they will be available to interested Canadian exporters. Communication with this office is invited, as this may permit of co-operation in initiating business.

MARKET FOR SOLE LEATHER IN CHINA

TRADE COMMISSIONER L. M. COSGRAVE

Shanghai, January 12, 1926.—In view of the large annual imports of oak and hemlock sole leather into China, it will be of interest to Canadian tanneries to know what type of sole leather is popular in the Chinese market and from what countries these imports are obtained.

In the past ten years there has been a steady growth in the imports of foreign sole leather, which in 1924, the last figures available, were valued at approximately *Tls. 7,600,000. Though the bulk of this business is handled by the United States and Australia, it is of interest to know that such countries as British India with Tls. 88,000, Germany with Tls. 68,000, Japan with Tls. 561,000, and France (chiefly Macao and French Indo-China) with Tls. 70,000 are able to compete in this open market.

Shanghai is the chief buyer in China and represents a consuming capacity of approximately 30 per cent of imports. Tientsin comes next with approxi-

* Tls 1 = 80 cents Canadian currency.

mately 12 per cent, and Dairen, Hankow, Foochow, Hong Kong, Amoy, Antung, and Newchwang follow in order of importance.

The Chinese leather dealer invariably demands a red hemlock coloured leather and will not accept the pale mouse coloured sole leather from those countries where hemlock is not available. It is for this reason that Canada should be in a position to obtain a much larger proportion of the business than she has at present, and which in 1924 amounted to approximately Tls. 23,000, which was practically a sample shipment. Business in sole leather is done in whole sides, shoulders, and bellies.

Whole Sides.—These are mostly sold in China on a weight basis of 18 to 20 pounds per piece and ten sides to a roll, the roll usually being wrapped in old bag cloth to avoid spoiling the bright finish in transit. The price at present being indicated in the Shanghai market is G.\$0.35 per pound c.i.f. Shanghai, which includes an importer's commission of 5 per cent. The popular quality in demand by the larger leather dealers is what is known in the trade as (b) grade, viz., five sides out of ten must be free of burnt brands, whereas five sides are permitted to show a small brand, which should not appear on the best part of the sides.

Shoulders with Heads.—These are sold in China in three different weights; that is, 3 to 5 pounds, 4 to 6 pounds, and 5 to 7 pounds. These shoulders must represent a good quality of leather and even the head should not show wrinkles which would render the leather useless for Chinese shoes. These shoulders are usually packed in bales of fifty pieces sewn in old bag cloth wrappings.

The prices at present indicated on the Shanghai market are approximately as follows: G. \$0.23 for shoulders 3 to 5 pounds c.i.f. Shanghai, including buying commission of 4 per cent; G.\$0.23 for shoulders 4 to 6 pounds c.i.f. Shanghai, including importer's commission of 4 per cent; G.\$0.24 for shoulders 5 to 7 pounds c.i.f., including importer's commission of 4 per cent.

The lighter weight shoulders should be approximately the same size as the heavier weights but may be thinner. The most important point to bear in mind is that this type of sole leather must be hard and only slightly flexible and in no case soft or loose.

Bellies.—Next to shoulders the largest business is done in China in imports of bellies. As they represent the cheapest leather obtainable and as the price factor with the Chinese merchant is one of paramount importance, they are perhaps more interested in this class of sole leather because of the multifarious uses to which it can be applied. These bellies must show the same red colour as the sides and must be equally free of wrinkles, hard, and again only slightly flexible. Leather of a very soft and pliable quality is absolutely of no use in this market.

This type of sole leather is used chiefly for making soles for Chinese shoes, and though they may be thin, a fair width of from 8 to 10 inches average is required in a weight of 5 to 6 pounds packed in rolls of fifty pieces wrapped in second grade bag cloth.

It is important for the Canadian tanneries to realize that the Chinese do not pay for quality of the leather, but buy chiefly according to the appearance. If the leather shows a bright red finish and is of a hard, slightly flexible quality, even if the quality is not of a first grade, it is found possible to obtain a somewhat higher price than for first grade tanned leather of pale colour and flexible texture. First quality leather at a higher price than the market definitely calls for cannot be sold. The present Shanghai prices indicated is approximately about G.\$0.18 c.i.f. Shanghai, including 5 per cent importing commission.

Prominent leather importers advise that if the above suggestions can be met they will be prepared to discuss the question of the representation of Canadian tanneries, and are of the opinion that a large and permanent business can be secured.

Canadian tanneries should be prepared to supply with any sample shipment a code arrangement giving each quality a definite code word which can be used in connection with the A B C Code, 6th edition, or the Acme Code, as these latter codes are the most popular with leather importers.

Business is usually done on a basis of documentary letters of credit, at 120 n/s. Shippers should bear in mind that shipments absolutely in accordance with their samples is imperative, as Chinese buyers are extremely particular and inclined to make claims if the cargo turns out in any way inferior to the sample on which they have ordered.

This office will be glad to co-operate with Canadian tanneries in securing reliable representatives in this territory, if they are in a position to compete along the lines mentioned above.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Importation of Wheat into New Zealand

J. NEILL, ASSISTANT TO TRADE COMMISSIONER

Auckland, December 30, 1925.—In *Commercial Intelligence Journal* No. 1085, dated November 15, 1924, a report was published relative to the suspension of duty on wheat imported into New Zealand, from December 1 until February 28, 1925. It has been announced that from January 18, 1926, the importation into New Zealand of wheat, wheat flour, wheat meal, and ground wheat will be prohibited, save with the consent of the Minister of Customs. (See also announcements in *Commercial Intelligence Journals* of February 28, 1925, page 206, and November 14, 1925, page 514, respecting the New Zealand tariff on wheat.)

South African Preferences on Canadian Goods

The items of the customs tariff of the Union of South Africa on which a rebate of the duty is granted for products and manufactures of Canada are as shown in the appended statement. This statement, with one or two exceptions, is practically the same as the one appearing in *Commercial Intelligence Journal* No. 1127, September 5, 1925, pages 249-250.

Tariff item	Article	Maximum duty	Amount of Rebate
15 (a)	Wheat— (i) in the grain.....	1s. 2d. per 100 lbs.	2d. per 100 lbs.
	(ii) ground or otherwise prepared.....	3s. 3d. per 100 lbs.	4d. per 100 lbs.
19 (e)	Fish-tinned (not specially provided for).....	1½d. per lb.	½d. per lb.
70	Hosiery, namely: Socks and stockings.....	ad valorem 15%	ad valorem 5%
81	Twine— (a) Seaming and binding, and harvest yarn.....	5%	The whole duty
134	Pipes, piping, tubes, and fittings of metal: for gas, steam, drainage, sewerage, irrigation, water supply and water pumping; not including grids, manhole covers and fittings, and surface boxes— (a) Wrought iron or steel pipes and tubes, except downpipes and guttering.....	1s. per 100 lbs.	The whole duty
	(b) Cast iron pipes and tubes except downpipes and guttering.....	8d. per 100 lbs.	The whole duty
	(d) Down piping and guttering and fittings therefor.....	ad valorem 20%	ad valorem 5%
	(e) Cocks and taps, and meters and pipe fittings, n.e.s.....	5%	The whole duty
	(g) Cisterns.....	20%	5%
	(h) Water meters for house connections, not exceeding one inch piping.....	3s. each	The whole duty
143 (b)	Electrical cooking and heating appliances (including kettles and irons): not being machinery elsewhere provided for.....	ad valorem 20%	ad valorem 5%
146	Mechanics' tools: being tools ordinarily used by mechanics or artisans, and not being agricultural implements of machine tools.....	3%	The whole duty
192	White Lead— (a) Dry.....	7s. per 100 lbs.	1s. per 100 lbs.
	(b) Ground in oil— (i) in packages containing 50 lbs. weight or over.....	10s. per 100 lbs.	1s. per 100 lbs.
	(ii) in packages containing less than 50 lbs. weight.....	11s. per 100 lbs.	1s. per 100 lbs.
260	Rubber Pneumatic Tyres and Tubes— (a) Tyres, including the weight of the immediate wrapper.....	1s. per lb.	2d. per lb.
	(b) Tubes for motor vehicles other than motor cycles.....	7½d. per lb.	1½d. per lb.
	(c) Tubes for motor cycles and cycles.....	1s. per lb.	2d. per lb.
261	Rubber Tyres, solid: complete or in lengths or in one piece.....	3d. per lb.	1d. per lb.
279	Wood—unmanufactured.....	ad valorem 3%	The whole duty
295	Newsprint, in reels or in the flat.....	5%	The whole duty

CATALOGUES FOR THE DUBLIN OFFICE

Canadian exporters interested in the markets of the Irish Free State are requested to forward to the Department of Trade and Commerce, addressed to the Director, Commercial Intelligence Service, their latest catalogues, price lists and, where practicable, samples in order that the library of the Dublin office may be brought up to date. For the sake of convenience these catalogues will be boxed at the Department and forwarded to Dublin.

TRADE COMMISSIONER A. B. MUDDIMAN'S FORTHCOMING VISIT TO CANADA

Mr. A. B. Muddiman, Canadian Trade Commissioner in Singapore, will arrive in Vancouver on February 24 on his way to Rotterdam, to which post he is being transferred. He will make a business tour of the Dominion in the interests of Canadian export trade to the Straits Settlements, Siam, the Dutch East Indies, and Holland. Canadian firms who are interested in any of these countries and who desire to be brought in touch with Mr. Muddiman or to interview him are requested to communicate at an early date with the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa, in order that the necessary arrangements may be made. Firms in British Columbia who desire to interview Mr. Muddiman are asked to notify Mr. Hugh Dalton, Secretary B.C. Division, Canadian Manufacturers' Association.

TRADE COMMISSIONER E. L. McCOLL'S INTENDED VISIT TO PERU

Mr. E. L. McColl, Canadian Trade Commissioner, Buenos Aires, is expected to arrive in Lima, Peru, on March 1, 1926, on a special trade mission to that country. His journey is being undertaken for the purpose of investigating the possibilities for increasing Canadian-Peruvian trade. Canadian exporters who are desirous of initiating trade with Peru, extending present trade relations, or obtaining special information on this market should address Mr. McColl in care of the British Legation, Lima, Peru, forwarding full particulars, including best prices, c.i.f. Lima if possible, terms, time required to fill and ship orders, amounts available for export, etc. In addition latest catalogues should be forwarded.

CAUCASIAN AGRICULTURAL EXPOSITION

The Caucasian Agricultural Exposition, occupying an area of 67 acres near the Tiflis Baku railroad, will be held in Tiflis during April and May. The Soviet Government authorities are making the following concessions to exhibitors:—

- (1) The remission of State industrial tax and all local assessments on sales at the exposition.
- (2) Twenty-five per cent reduction on railway freight rates for all exhibits.
- (3) Free export by foreign firms of all funds obtained from sale of imported exhibits.
- (4) Suspension of import duties on exhibits with the understanding that the duty is to be paid if the exhibits are not re-exported two months after the official closing date of the exposition. The Batoum-Tiflis railroad freight rate will be approximately 40 cents per 100 pounds and transshipment charges in Batoum from steamer to railroad approximately 45 cents per 100 pounds. Insurance will be provided by Zakgostorg after arrival and return to Batoum.

Space at the Exposition is available on the following terms, per square metre—

- (a) Floor space in closed quarters, \$5.
- (b) Wall space for placing of small exhibits, \$6.
- (c) Open space under roof, \$1.
- (d) Space for the erection of pavilions by exhibitors and also for open space on the exposition grounds, 50 cents.

OPENING IN WEST OF ENGLAND FOR WOOD WOOL

Mr. Douglas S. Cole, Canadian Trade Commissioner, Bristol, writes under date of January 15, 1926, that the pottery industry in his district uses considerable quantities of wood wool for packing purposes, part of which is imported. As wood wool is similar to excelsior, Canadian firms who are in a position to export this commodity may wish to take advantage of the opening. If samples and quotations in sterling for carload and less than carload lots c.i.f. Avonmouth are sent to the Trade Commissioner, he will place them before importers in the West of England and Birmingham areas. The greatest demand is for a shaving of about $\frac{1}{16}$ inch in width, the thickness of an ordinary shaving and 1 foot up in length of curl.

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

112. FROZEN SALMON.—A Liverpool merchant wishes to get in touch with Canadian shippers of Atlantic and Pacific frozen salmon. Quotations are desired per pound c.i.f. Liverpool.

113. DRESSED POULTRY.—A Liverpool importer would like to hear from any Canadian firm interested in making direct shipment during the present season. Quotations should be c.i.f. Liverpool, in sterling.

114. SAUSAGE CASINGS.—A London firm which imports sausage casings are desirous of securing supplies from Canada. As a partner proposes visiting the Dominion about April, the firm would be glad to hear, in a preliminary way, from Canadian packing houses and others prepared to sell to them direct, with a view to the arrangement of personal interviews later on.

115. GELATINE.—Canadian firms are requested to communicate with a French firm interested in supplying the pharmaceutical trade. Must be of finest quality, and regular supplies forthcoming.

116. FISH MEAL.—A firm of agents in Hamburg, Germany, are desirous of getting in touch with Canadian exporters of fish meal.

117. FISH OIL.—A firm of agents in Hamburg, are desirous of getting in touch with Canadian exporters of fish oil.

Miscellaneous

118. METALS AND CHEMICALS.—An agent in Hamburg wishes to secure the sole representation for Canadian producers or exporters of non-ferrous metals or other raw materials, as well as any specialties in the chemical line.

119. ASBESTOS PACKING.—A French concern would like to be put in touch with Canadian exporters of asbestos packing suitable for joints that are subject to great heat or come into contact with corrosive chemicals. Should resist a heat exceeding 325° Fahrenheit or 120° Centigrade.

120. RUBBER TIRES.—A Brussels concern are anxious to get in touch with Canadian manufacturers of rubber tires.

121. CHEMICALS, IRON AND STEEL PLATES, TOYS, SPECIALTIES, ETC.—A Rotterdam concern would be glad to hear from Canadian exporters of chemicals, iron and steel plates, fencing wires, toys, paper, household devices, etc., with a view to representation in the Netherlands.

**FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING
FEBRUARY 8, 1926**

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending February 8, 1926. Those for the week ending February 1, 1926, are also given for the sake of comparison.

	Parity	Week Ending		Week Ending
		February 1, 1926	February 1, 1926	February 8, 1926
Britain	1.00	\$4.86	\$4.8650	\$4.8643
Czecho-Slovakia	1.	.203	.0296	.0296
France	1.	.193	.0376	.0370
Italy	1.	.193	.0401	.0403
Holland	1.	.402	.4010	.4010
Belgium	1.	.193	.0455	.0455
Spain	1.	.193	.1413	.1408
Portugal	1.	1.08	.0520	.0515
Switzerland	1.	.193	.1929	.1927
Germany.. .. .	1.	.238	.2382	.2382
Greece	1.	.193	.0143	.0154
Norway.. .. .	1.	.268	.2037	.2031
Sweden.. .. .	1.	.268	.2679	.2679
Denmark	1.	.268	.2473	.2460
Japan	1.	.498	.4495	.4493
India	1.	2s.	.3700	.3705
United States	1.	\$1.00	1.0018	1.0037
Mexico.. .. .	1.	.498	.4855	.4865
Argentina	1.	.424	.4137	.4112
Brazil	1.	.324	.1475	.1480
Roumania	1.	.193	.....	.....
Jamaica	1.	4.86	4.8850	4.8850
British Guiana	1.	1.	} 1.0062—1.0087 1.0062—1.0187	
Barbados.. .. .	1.	1.		
Trinidad	1.	1.		
Dominica	1.	1.		
St. Kitts	1.	1.		
Grenada.. .. .	1.	1.		
St. Vincent.. .. .	1.	1.		
Tobago	1.	1.		
Shanghai, China.. .. .	1.	.708		
Batavia, Java	1.	.402		
Peru.. .. .	1.	4.86½		
Singapore, Straits Settlements .. \$	1.	.567		

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From St. John

To LONDON.—Bothwell, Feb. 27; Bosworth, March 13—both Canadian Pacific; Canadian Rancher, Feb. 17; Canadian Aviator, March 3—both C.G.M.M.; Vallevia, Feb. 17; Verentia, March 13—both Cunard Line.

To CARDIFF AND SWANSEA.—Canadian Leader, Feb. 24; Canadian Commander, March 10—both C.G.M.M.

To BELFAST AND DUBLIN.—Lord Londonderry, Head Line, Feb. 25.

To LIVERPOOL.—Montclare, Feb. 19; Montrose, Feb. 25; Metagama, March 5; Montcalm, March 12—all Canadian Pacific.

To AVONMOUTH.—Kastalia, Anchor-Donaldson, Feb. 20.

To SOUTHAMPTON.—Marloch, Canadian Pacific, Feb. 17.

To MANCHESTER.—Manchester Brigade, Feb. 20; Manchester Regiment, March 6—both Manchester Liners.

To GLASGOW.—Gracia, Feb. 16; Carmia, Feb. 23; Morevia, March 5—all Anchor-Donaldson; Brandon, March 2; Bolingbroke, March 16—both Canadian Pacific.

To ANTWERP.—Canadian Rancher, Feb. 17; Canadian Aviator, March 3—both C.G.M.M.; Marloch, Canadian Pacific, Feb. 17.

To HAVRE.—Essex County, Intercontinental Transports, Ltd., Feb. 28.

To ROTTERDAM.—Essex County, Intercontinental Transports, Ltd., Feb. 28; Lord Downshire, Head Line, Feb. 28.

To HAMBURG.—Batsford, Canadian Pacific, Feb. 24; Brant County, Intercontinental Transports, Ltd., Feb. 28.

To COPENHAGEN AND BALTIC PORTS.—Main, Scandinavian-American Line, March 3.

To AUSTRALIAN AND NEW ZEALAND PORTS.—Korean Prince, New Zealand SS., Ltd., Feb. 20.

To CUBA.—A steamer, H. E. Kane & Co., Feb. 20; Emperor of Montreal, Feb. 20; Emperor of Port McNicoll, Feb. 27—both Robert Reford & Co.

To ST. KITTS, ANTIGUA, MONTSERRAT, DOMINICA, ST. LUCIA, ST. VINCENT, AND GRENADA.—Chignecto, Feb. 28; Teviot, March 14—both R.M.S.P. Co.

To SOUTH AMERICAN PORTS.—Folkvard, Houston Line, Feb. 20.

To SIERRA LEONE AND SOUTH AFRICAN PORTS.—Cariboo, Elder Dempster, Feb. 15.

From Halifax

To PLYMOUTH, CHERBOURG AND LONDON.—Antonia, Cunard Line, Feb. 22.

To HULL.—Wheatmore, Feb. 22; Ariano, March 9—both Furness, Withy.

To LIVERPOOL.—Cornish Point, Feb. 20; Sachem, Feb. 23; Newfoundland, March 16—all Furness, Withy; Canada, White Star-Dominion Line, March 7.

To COBH (QUEENSTOWN).—Carmania, Cunard Line, March 15.

To MANCHESTER.—Manchester Brigade, Feb. 22; Manchester Commerce, March 1; Manchester Division, March 8—all Furness, Withy.

To LONDON.—Wheatmore, Feb. 22; Galtymore, March 3; Ariano, March 9—all Furness, Withy.

To ST. JOHN'S, Nfld.—Sachem, Feb. 23; Newfoundland, March 16—both Furness, Withy; Skipper, Feb. 19, March 5; Sable I., Feb. 26, March 12—both Farquhar SS.

To BERMUDA, ST. KITTS, ANTIGUA, MONTSERRAT, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Chaleur, Feb. 26; Chignecto, March 12—both R.M.S.P. Co.

To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Fisher, C.G.M.M., Feb. 27.

To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD, DEMERARA AND GUADELOUPE.—Canadian Carrier, C.G.M.M., March 5.

To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, Feb. 24.

To SANTIAGO, KINGSTON AND MONTEGO.—Andalusia, Pickford & Black, March 10.

To AUSTRALIAN PORTS.—Canadian Constructor, C.G.M.M., Feb. 27.

To NEW ZEALAND PORTS.—Canadian Miller, C.G.M.M., Feb. 25.

From Vancouver

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Russia, Canadian Pacific, March 6.

To YOKOHAMA, KOBE, SHANGHAI, HONG KONG AND MANILA.—Empress of Canada, Canadian Pacific, Feb. 20.

To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Paris Maru, Osaka Shosen Kaisha, March 2.

To YOKOHAMA, KOBE AND HONG KONG.—Protesilaus, Feb. 18; Philoctetes, March 11—both Blue Funnel.

To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Aorangi, Canadian-Australasian Line, March 10.

To AUSTRALIAN AND NEW ZEALAND PORTS.—West Islip, Pacific-Australasian Line, Feb. 15.

To WEST COAST UNITED KINGDOM PORTS.—Canadian Skirmisher, C.G.M.M., Feb. 25.

To LONDON.—Grootendyk, North Pacific Coast Line, middle February; Canadian Winner, C.G.M.M., March 10.

To LIVERPOOL.—Grootendyk, North Pacific Coast Line, middle February.

To BORDEAUX, HAVRE AND ANTWERP.—Georgia, Cie. Gle. Transatlantique (French Line), Feb. 20.

To ANTWERP.—Glamorganshire, North Pacific Coast Line, late February; Canadian Winner, C.G.M.M., March 10.

To HAMBURG.—Glamorganshire, North Pacific Coast Line, late February.

To ROTTERDAM.—Grootendyk, middle February; Glamorganshire, late February—both North Pacific Coast Line; Justin, Holland-American Line, Feb. 24.

To HAVRE.—Glamorganshire, North Pacific Coast Line, late February.

To GENOA, LEGHORN, NAPLES AND TRIESTE.—Piave II, Navigazione Libera Triestina, March 15.

To WEST INDIES AND EAST COAST OF SOUTH AMERICA.—West Notus, Pacific-Argentine-Brazil Line, early March.

To WEST INDIES AND CARIBBEAN PORTS.—Arkansas, Feb. 20; Georgia, Feb. 28—both Cie. Gle. Transatlantique (French Line).

To BAHIA BLANCA, MONTEVIDEO AND BUENOS AIRES.—Leikanger, East Coast South America Service, late February.

LISTS OF ACTS ADMINISTERED AND PUBLICATIONS ISSUED BY THE DEPARTMENT OF TRADE AND COMMERCE

Applications for these Acts of Parliament and other publications in this list, together with remittances for the same, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution".

Copper Bars and Rods Bounty Act. Copyright Act.
Electricity and Fluid Exportation Act. Electricity Inspection Act.
Electric Units Act. Gas Inspection Act. Gold and Silver Marking Act.
Grain Act. Hemp Bounty Act. Inland Water Freight Rates Act.
Patent Act. Statistics Act. Trade Mark and Design Act.
Timber Marking Act. Inspection of Water Meters Act.
Weights and Measures Inspection Act.

MISCELLANEOUS

Annual Report of the Department of Trade and Commerce. (Price 10 cents.)
Annual Report of the Board of Grain Commissioners for Canada. (Price 25 cents.)
Annual Report of Weights and Measures, Electricity and Gas. (Price 10 cents.)
Canada-British West Indies-Bermuda-British Guiana-British Honduras Trade Agreement (1925). (Price 10 cents.)
Canada West Indies Conference (1920). (Price 25 cents.)
Canada-West Indies Conference Report, (1925). (Price \$1.)
Dominion Grain Research Laboratory (1920). (Price 10 cents.)
Electrical Standards and their application to Trade and Commerce.
Final Report of the Fuel Controller (1920).
Grain Inspection in Canada (1914). (Price 25 cents.)
Imperial Fruit Show (1923).
List of Licensed Elevators, etc. (Price 50 cents.)
Motion Pictures, Catalogue of. (Price 10 cents.)
Pan-Pacific Commercial Conference (1923). (Price 25 cents.)

PUBLICATIONS OF THE COMMERCIAL INTELLIGENCE SERVICE

NOTE.—Publications of the Commercial Intelligence Service are free to subscribers to the Commercial Intelligence Journal.

Commercial Intelligence Journal Weekly (In English and French), containing Reports of Trade Commissioners and other Commercial Information. Annual Subscription: In Canada, \$1; single copies, 5 cents. Outside Canada \$3.50; single copies, 10 cents.
Chinese Markets for Canadian Products (1919). (Price 25 cents.)
German War and its Relation to Canadian Trade (1914). (Price 25 cents.)
Indian Empire as a Market for Canadian Products (1922). (Price 25 cents.)
Markets of British Malaya (1923). (Price 25 cents.)
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Packing for Overseas Markets (1922). (Price 25 cents.)
Preferential Tariffs of British West Indies (1922). (Price 25 cents.)
Report of Special Trade Commission to Great Britain, France and Italy. (French and English) 1916). (Price 25 cents.)
Representation in British and Foreign Markets (1923). (Price 25 cents.)
Republic of Chile: Its Economic Condition and Trading Opportunities (1923). (Price 25 cents.)
Republic of Peru: Its Development and Commercial Opportunities (1923). (Price 25 cents.)
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Trading with Spain (1920). (Price 25 cents.)
Toy Making in Canada (1916). (Price 25 cents.)
West Africa and its Opportunities for Canadian Trade (1921). (Price 25 cents.)

PUBLICATIONS OF THE DOMINION BUREAU OF STATISTICS

The following is an abbreviated list of publications of the Bureau of Statistics.

Census of Canada.
Census of Prairie Provinces (1916).
Miscellaneous Statistics respecting the following: Criminal; Education; Finance (Provincial and Municipal); Transportation, including railways and tramways, express, telegraphs, telephones water, etc.; Production, including agriculture, furs, fisheries, forestry, mining and manufactures: Vital (annual and monthly).
Monthly Bulletin of Agricultural Statistics
Year Book of Canada.
Report of the Dominion Statistician, Annual.
Trade of Canada (Imports and Exports), Annual and Monthly.
Trade (Internal), including grain, live stock, coal prices, etc.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

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Irish Free State

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Italy

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Japan

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CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, February 20, 1926

No. 1151

TABLE OF CONTENTS

	Page		Page
Office of Commercial Intelligence Service opened in Java	225	Commercial Conditions in the Middle East . .	251
New Address for Hamburg Office	225	Japanese Canned Crab and Salmon Industry	251
Tenders for Steamship Service between Canada and British West Indies	226	Economic Conditions in China	253
Economic Conditions in Scotland and Northern Ireland—Part I	226	Paper Requirements in China	254
Trade Review of Liverpool	229	Regulations for Travellers entering the Republic of Colombia	256
Trade Commissioner A. B. Muddiman's Forthcoming Visit to Canada	233	Trade Commissioner E. L. McColl's intended Visit to Peru	256
Review of Economic Conditions in the West of England, South Wales and South Midlands	234	Tariff Changes and Customs Regulations: Fifty Per Cent Preference Conditions in New Zealand	257
Trade of the United Kingdom in 1925—Part II	239	Labelling of Foodstuffs in New Zealand . .	257
Inquiry for Semi-solid Buttermilk in the North of England	243	Tariff Status of Agricultural Implements entering Norway	257
Imports of Motor Car and Truck Parts and Bicycles and Tricycles into the British West India Colonies	244	Tenders Invited—Australia	258
Economic Survey of France	245	New Office Premises in Shanghai	259
Industrial Fair in Basle, Switzerland . . .	247	A Warning to Canadian Firms Shipping Hay to Glasgow	259
The Sugar Situation in Belgium	248	Market for Graphite in France	260
Economic Situation in Brazil	250	Trade Inquiries for Canadian Products . .	260
		Foreign Exchange Quotations for the Week ending February 15, 1926	262
		Proposed Sailings from Canadian Ports . .	262
		Commercial Intelligence Service	264

OFFICE OF COMMERCIAL INTELLIGENCE SERVICE OPENED IN JAVA

A new office of the Commercial Intelligence Service has been opened in Batavia, Java, Netherlands East Indies, under the charge of Mr. R. S. O'Meara, formerly Assistant Trade Commissioner in Cape Town. The office in Singapore will be closed as from February 28, 1926, and its records transferred to Batavia. The territory assigned to the new post is the same as that formerly assigned to the Singapore office and includes the Straits Settlements, British Borneo, Netherlands East Indies and Siam.

The postal address of the Trade Commissioner for these countries will hereafter be P.O. Box 84, Batavia, Java, and the cable address will be Canadian. Exporters should bear in mind that the letter rate for mail to the Netherlands East Indies is higher than to the Straits Settlements; it being eight cents for the first ounce and four cents for each additional ounce or fraction thereof.

NEW ADDRESS FOR HAMBURG OFFICE

On and after April 1, 1926, the address of the Canadian Trade Commissioner in Germany will be Gutrufhaus, Neuerwall 10, Hamburg, instead of Raboisen 8, Hamburg 1, as at present.

TENDERS FOR STEAMSHIP SERVICE BETWEEN CANADA AND BRITISH WEST INDIES

Under date of January 25, 1926, the Department of Trade and Commerce has issued a call for tenders for steamship or motor-ship service between Canada, the British West Indies, Bermuda, British Guiana and British Honduras.

The services to be tendered for are as specified in the Canada-West Indies Trade Agreement of 1925, and tenders will be received at the office of the Deputy Minister of Trade and Commerce until noon of April 6, 1926.

The services comprise a fortnightly passenger, freight and mail service, alternating with a fortnightly freight service on the eastern route between Canada, Barbados, Trinidad, and Demerara, calling at way ports, and a fortnightly mail, passenger and freight service on the western route between Canada and Jamaica, calling at way ports, alternating with a fortnightly freight service between Canada and Jamaica direct.

In addition to the above a small steamer is to be supplied for a fortnightly service between Jamaica and British Honduras, connecting with the direct Canadian passenger service at Jamaica. Alternative tenders may be submitted for either or both services, including calls at one port in the United States in one or both directions.

Further particulars, including tender forms, etc., will be supplied on application to the Deputy Minister, Department of Trade and Commerce, Ottawa.

ECONOMIC CONDITIONS IN SCOTLAND AND NORTHERN IRELAND

I

TRADE COMMISSIONER G. B. JOHNSON

Glasgow, January 6, 1926.—The depressed conditions of industry in the United Kingdom are perhaps more accentuated in Scotland than in the country as a whole, for the reason that this territory is more dependent than any other large section of the country upon the heavy industries like coal, steel manufacturing, engineering and shipbuilding, which are feeling the depression most. In the case of Northern Ireland conditions are much the same as in Scotland.

BANKING

The Scottish banking figures for 1925 continue to reflect the dullness of trade, particularly in regard to the heavy industries. There has again been a slight fall in deposits, but the rate of decrease is diminishing rapidly. The decrease in notes in circulation is £520,000 as compared with a decrease of £408,000 last year. Drafts and acceptances show an increase of £2,658,000 compared with a year ago. Cash and securities at £161,314,000 are again lower than the year preceding by well over £9,000,000 as compared with £11,000,000 for a year ago, while advances to the public show an increase of £8,877,000. Dividends range from 10 per cent to 18 per cent for seven of the eight Scottish banks, the figures for one not being available.

SHIPBUILDING

The work done on the Clyde was less in extent in 1925 than in many previous years, although the depression was not as pronounced as in one or two other shipbuilding centres. In some respects the situation was of more than usual interest. The outstanding feature was the progress made by the internal combustion engine, and a considerable number of motor vessels was built. In July there was launched the largest motor liner ever constructed, propelled by British-made double-acting Diesel engines. The ships launched on the Clyde in 1925 numbered 280 of 523,000 tons, as compared with 251 of 538,000 tons in 1924. In the rest of Scotland (the Forth, the Tay, and the Dee) 66 vessels of 35,000 tons were put into the water, as compared with 61 vessels of 61,000 tons

the year before. The Clyde again leads all other districts in Great Britain in the production of ships, the Mersey coming second with a list of 70 ships built of a tonnage of 107,000. The Lagan (Belfast) was sixth with 12 vessels of 57,000 tons.

STEEL AND IRON

There have been depressions in this industry in the past, but there is no precedent either for the intensity of the present slump or for the length of time over which it has continued. At the end of 1924 it was felt that the worst had been seen and that with the advent of 1925 trade would improve all round, but these hopes were not realized. The Scottish steel works must depend largely on the condition of work in the shipyards. It is true that a larger proportion of the output of the steel works is required to be exported than in former years, local capacity to consume not having kept pace with steelworks extension, but a revival of home demand is necessary to a revival of prosperity.

Most noticeable among the discouraging factors in the year was the consistent fall in the price of plates and sections, which has caused heavy sacrifices to the steel firms, who have seen no profits in many cases for years and have been doing business at an actual loss. It may be interesting to compare present prices with those ruling before the war. At the end of 1912 ships' plates were £8 7s. 6d. and angles £8, whereas the present price of plates is £7 10s. to £7 12s. 6d. and angles £7 to £7 5s. Until there is a big increase in the number of new vessels laid down the mills must continue to work under capacity. The outlook for 1926 is reported to be brighter, and with the extremely low prices for steel shipbuilders and other consumers should be in a better position to place contracts.

The coal industry of Scotland has completed a year of unprecedented losses, and 1926 does not open with a promising outlook. In the fifteen months previous to July last the aggregate losses of the Scottish coal-mining industry were stated to be £1,346,000. The average selling prices for export coal at the Scottish ports were 23s. 8d. in 1923, 21s. 4d. in 1924, and 16s. 10d. in the first ten months of 1925. From the whole of Great Britain the exports of coal in 1923 were of the value of £92,659,000; in 1924, £66,507,000; and in 1925, £46,201,000. In March, 1924, the number of wage earners in and about the mines in Scotland were 133,000, and in June, 1925, 116,000, while in Great Britain the number fell from 1,111,000 to 1,032,000. The output has fallen off in proportion.

If this industry, the most important in the country as the foundation of most others and the principal export that goes to pay for necessary imports of food and raw materials, can become self-supporting and prosperous the basis will be laid for a general revival of all industry. In connection with the labour troubles the difficulty is that both sides are largely right. Owners cannot be expected to work their property at a loss, and miners cannot be expected to accept wages which in some cases are below the subsistence level.

GENERAL ENGINEERING

Those Scottish firms engaged in marine work—the manufacture of ships' engines—are faced and concerned with the most peculiar contrast of conditions that marine engineers have ever known. They are faced with a situation that is commercially the most depressing and technically the most interesting. The spectacular emergence of the internal combustion engine as a primary and economical system for the propulsion of slow-speed ships has been rapidly followed by an advance in the realm of the intermediate classes. This is all the more noteworthy in that the Diesel engine has a very small place indeed in power on land. The facts are surprising. In the last Lloyd's register nearly one-quarter of the classified tonnage was propelled by Diesel engines. The system is being extended to large passenger liners as well. It is clear that the

Diesel engine is usurping a fair portion of the field originally held by the steam reciprocating engine, and is also attacking the field held by the steam turbine.

In the building of locomotives in the west of Scotland, the year 1925 was a repetition of those conditions of depression which have afflicted the industry for some years past. While a good deal of work has been executed for the home railways, export orders have been difficult to obtain.

TEXTILES

Certain sections of the Scottish textile industry have had a fair measure of prosperity during the past year, especially the carpet-making trade. The latter has increased its output but has, nevertheless, been faced with increased competition in the cheaper grades from France, Belgium, and Germany. Exports of British carpets are well maintained at about £250,000 per month.

In the Glasgow cotton-weaving section the demand for the staple products has been better for the last few months.

The chief characteristics of the great jute trade of Dundee has been the excessively high prices for raw materials, together with the difficulties of obtaining orders for the manufactured product. On account of crop forecasts much in excess of ultimate yield and general uncertainty in this respect the speculative risks for spinners and manufacturers have been unusually heavy.

The Scottish woollen industries in 1925 experienced a more prosperous year than many others in this country, and improved on that for 1924. Prospects for 1926 appear to be favourable. The demand has been mainly in cheviots and botany worsted cloths. Germany, Italy, and France have been buying increasing quantities of Scottish tweeds, mainly for men's wear. The demand in the United States and Canada has been fair.

Import Trade

It is no doubt well known that there are no statistics available to summarize Canadian exports to Scotland and Northern Ireland or to give a condensed review showing by figures the progress of Canadian trade in various commodities with this territory as distinct from that of the United Kingdom as a whole, except in the case of Northern Ireland. The figures relating to the latter country are not yet available for 1925, and in any case relate only to direct trade, which is a part only of the whole trade of that province with the Dominion. A recent report, "The Trade of Ulster," however, which was published in *Commercial Intelligence Journal* Nos. 1148, 1149, and 1150, gives a survey of Canada's trade with Ulster in 1924, and there is no reason to suppose that the year 1925 would be materially different. The following notes relate to Scotland:—

WHEAT AND FLOUR

At the end of December, 1925, there were 28,500 quarters of Canadian and United States wheat in stores and on quays at Glasgow, out of a total of 31,000 quarters from all countries. There were 72,000 quarters of Canadian and United States wheat and a total of 75,000 quarters from all countries a year ago.

The Scottish millers have been buying from hand to mouth, and from this fact and because stocks not only in Glasgow, as shown above, but throughout the country are low as compared with previous years, imports in the near future will probably be on a considerable scale. The hesitation on the part of millers is no doubt due to the uncertainty regarding the Argentine crop, now being harvested. It is beyond doubt now, however, that this crop in the northern part of the Argentine is distinctly a poor one. The exportable surplus has been put as low as 12,000,000 quarters and as high as 17,500,000 quarters.

One prominent importer in close touch with the situation in that country would be surprised if the figure exceeded 14,000,000, but is prepared to take the

figure of 16,000,000. If confirmation of the reported position in the Argentine is the fact that several cargoes of Manitoba wheat for December and January shipment from the eastern seaboard have been made or arranged for to the Rio de Janeiro flour mills. The importer referred to puts the world's supplies available at 74,500,000 quarters, as against requirements of 84,000,000 quarters, and he is distinctly of the opinion that wheat prices will rise. At any rate it appears certain that the season's supply at the best will not more than about balance the demand, and will most probably be short. Russia, of course, was the cause of the turning point of the market upwards when it became evident that instead of being a considerable exporter, as her officials had forecasted, she failed to carry out her export programme. Some people believe that Russia will import wheat this spring as she did last year.

The stocks of flour in the granary and stores and on quay at Glasgow on December 31, 1925, were 40,000 sacks from all sources, as compared with 90,100 sacks a year ago. The returns of flour imported at Glasgow, unfortunately, are arranged in such a way that the figures of Canadian and United States flour imports are added together, but for the whole kingdom the returns show that Canada in 1925 still easily maintained first place as a supplier of flour, having wrested that place from the United States some years ago. Undoubtedly Scotland and Northern Ireland also obtain the bulk of their imported supplies from the Dominion.

OATMEAL

In the absence of official statistics relating to Scotland and Northern Ireland it is difficult to say whether or not Canadian business in this product in this area is progressing. For the whole country the imports of oats products have dropped from £820,000 for the first eleven months of 1924 to £706,000 in the same period of 1925 from all sources. The Canadian returns show that in the first seven months of 1924 Canada shipped to Great Britain \$1,484,000 worth of oatmeal and rolled oats and in the corresponding period of 1925, \$730,000 worth. Inquiries, particularly from Northern Ireland, continue to be received in this office for connections with oatmeal mills in the Dominion.

TRADE REVIEW OF LIVERPOOL

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, January 22, 1926.—While well known as a centre for flour milling, sugar refining, and other industries, Liverpool's importance is mainly due to its extensive export and import trade. An examination of the trade done through this port gives a fair idea of the activity of the northern industrial area of England, as Liverpool handles, on the average, one-third of the exports and one-fourth of the imports of the United Kingdom. The following are comparative figures of Liverpool's export and import trade for the years 1923, 1924, and 1925:—

	1923	1924	1925
Imports .. .. .Tons	7,240,000	8,412,300	8,388,000
Exports .. .. .Tons	6,280,000	6,435,700	6,165,000
Total .. .. .Tons	13,520,000	14,848,000	14,553,000

From the above table it will be seen that the total trade handled through this port during 1925 was 295,000 tons less than in 1924. The Board of Trade returns of the total trade of the United Kingdom for 1924, recently issued, indicate that the value of the overseas trade of the port of Liverpool increased during that year by 9.3 per cent. The following comparative table will give some idea of Liverpool's position in relation to London and to other ports in this territory during 1924:—

	Exports	Imports
London	£152,119,629	£455,530,289
Liverpool	273,170,712	280,510,147
Manchester	40,277,790	72,804,516
Hull	37,122,327	80,938,559
Middlesborough	12,464,443	3,806,754

Dealing with the principal imports to Liverpool, increases are shown over last year in commodities of interest to Canada as follows:—

	1924	1925
Timber	Loads 298,335	301,309
Meat, refrigerated	Tons 200,622	233,874
Hides, dry and wet	Tons 51,044	55,855
Copper	Tons 47,361	54,644
Tobacco	Tons 33,503	35,177

The following commodities registered decreases:—

	1924	1925
Wheat	Tons 1,182,920	1,020,723
Feeding and oilcake	Tons 175,936	169,924
Manganese ore	Tons 124,183	102,415
Bacon and hams	Tons 122,123	115,205
Flour	Tons 46,229	34,309
Apples	Packages 2,725,250	2,504,741

The following figures showing the total tonnage of shipping using the port of Liverpool during 1923, 1924, and 1925, furnish an interesting index to the commercial activities of the port:—

	Tons
1923	18,537,224
1924	18,927,792
1925	19,592,001

GRAIN TRADE

The past year has been a difficult one in the grain trade of Liverpool owing to the exceptionally wide fluctuations in the price of wheat. Prices rose during the first part of the year until in February wheat for March delivery was quoted as high as 15s. 6d. per 100 pounds ex store on the Liverpool future market. Bullish developments during the next few months, notably the promised shipments from Russia, brought lowered prices, and in September 9s. 9d. was reached for December delivery. At the close of the year, with the failure of Russian shipments and uncertainty regarding the Argentine situation, prices were around 12s. The following table indicates the quotations given on the Liverpool future market at the beginning of each month during 1925 for graded wheat per 100 pounds ex store:—

1925	First Month's Delivery s. d.	Second Month's Delivery s. d.	Third Month's Delivery s. d.
January	13 11½	13 9	— —
February	15 1½	14 9½	14 3½
March	14 11½	14 8½	14 5
April	11 11½	11 10½	— —
May	11 11½	11 11½	11 3½
June	12 9½	12 2	— —
July	11 2	10 6½	10 3½
August	11 1½	10 8½	— —
September	10 11½	10 6½	— —
October	10 2	9 9½	9 8½
November	10 6½	10 2½	9 11½
December	12 7½	12 0	11 7½

During 1924 the imports of all grain and flour via the Mersey—including Liverpool, Manchester, Ellesmere Port and Runcorn—amounted to 47,000,000 cwt., compared with 48,000,000 cwt. imported to London and 27,000,000 cwt. to Hull. The figures for the calendar year 1925 are not yet available, but during

the first eleven months imports to the Mersey were as follows: wheat, 26,568,000 cwt.; maize, 5,060,000 cwt.; oats, 809,000 cwt.; barley, 747,000 cwt.; and flour, 668,000 cwt.

FLOUR

Liverpool is the largest flour milling centre in the United Kingdom. It is estimated that the full productive capacity of the Merseyside flour mills, including Ellesmere Port, is around 112,000 sacks of 280 pounds per week. The approximate weekly output during 1925 has been estimated at around 100,000 sacks, using some 80,000 quarters of wheat.

During the past year this industry has been operating under difficulties, since competition has resulted in overproduction and price cutting among the various millers. Profits have been at a very low ebb, and one large mill closed down operations during the year. While the outlook is far from promising, it is reported that certain interests are contemplating the erection of a new mill in this district to look after some of the Irish trade. Conditions among local millers have had an adverse effect on imported flour. During the greater part of 1925 trading in Canadian flour was on a very restricted scale, as Canadian export patents were generally above home millers' quotations. One important flour dealer, who handles several well-known Canadian brands, stated when interviewed, that his firm had only been able to do business in Canadian flour on a speculative basis at intervals during the year. During the latter part of 1925 American mills have been definitely out of the market.

FOODSTUFFS

The provision import trade of Liverpool is of great importance. During the past year imports have been maintained in volume in spite of the considerable decentralization of shipments, especially to East Coast ports, which movement has been gaining ground since the war. One reason for this decentralization has been the desire to overcome high railway rates. To this may be added the enterprise of East Coast merchants who wish to purchase c.i.f. instead of securing their requirements second-hand. This tendency was made very clearly evident at interviews held recently during a visit to East Coast points.

During 1925 Canadian bacon has gained ground, and American supplies have seriously fallen off. Butter imports from Canada have been on a very much higher scale. There is no doubt that Western Canadian butter has made a most favourable impression on Liverpool traders this past year, and it now remains for Canadian producers to see that adequate supplies are forthcoming of uniform quality butter to meet this demand. The high prices ruling during most of last year made sales of imported cheese more difficult than usual in the Liverpool and Manchester markets. The consumption of Canadian cheese in this district is mainly among the working classes, and when cheese quotations toward the end of the year forced the retail prices to over 1s. per pound the working people switched over to corn beef and sausages, etc. The depressed state of this industrial area has had an effect on the purchase of cheese, and one agent interviewed, who handles Canadian cheese, reports his sales for 1925 to be lower than 1924. At date of writing rather firmer conditions are expected next month as, owing to the seamen's strike in Australia and New Zealand, the ocean carriers have been landing their stocks all together and next month will see supplies somewhat scarce till these boats return in March. Liverpool's imports of provisions during 1925 were as follows: bacon and hams, 115,205 tons; lard, 42,662 tons; cheese, 14,541 tons; and butter, 4,675 tons.

CANNED GOODS

It is estimated that in a normal year Liverpool receives and distributes approximately 40 per cent of the canned goods imported to the United Kingdom. The trade in canned goods in 1925 has been a little greater in volume than the

previous year. Some idea of the extent of this trade is given by the following figures which represent the approximate imports for the first eleven months of 1925 of the principal commodities dealt in at this port: canned milk, 2,905,050 packages; salmon, 1,048,215; sardines, 262,202; fruits, including tomatoes, 3,606,210; and canned meats, 1,238,102.

Although supplies from the various producing areas fell off somewhat with resultant higher prices, the demand for canned salmon has been exceptionally good throughout the year. The market finished firm and the outlook is favourable.

Conditions in the canned fruit trade have not been so satisfactory. There was quite a carry over of stocks at high cost during the earlier months of the year. Later on excellent reports of the Californian crop followed, with a resultant depressing effect on spot prices. However, the expected large packs of Californian fruit did not materialize, and the pack of peaches was much below expectations. Australian fruits have been offered at rather higher prices, and there are considerable supplies still unsold.

Canadian canned fruit which comes to this market consists chiefly of pears. Competition is mainly from United States shippers, whose products have an established reputation in this country. Past complaints against Canadian pears have been made on account of the lack of uniform grading in the cheaper lines, and this factor has been one of the obstacles encountered in selling recent packs. There is, however, in addition to the cheaper class trade, a certain demand for a superior product, and one well-known Canadian brand of choice pears is now being offered to the trade here in attractively labelled tins.

United States Pacific Coast exporters have controlled the market for solid-pack gallon apples for some time past in this area, and Canadian quotations have not been competitive. There is a steadily increasing demand for gallon apples for use in the bakery trade, and a very strong preference is manifested for the solid pack, against the competition of which some looser packed Canadian brands offered have difficulty in making headway. The demand for plums is small, but Canadian greengage and lombard varieties have been offered lately at quite low prices in 2-pound tins. Oregon and California do the bulk of the trade in loganberries, but a few British Columbia packs have been meeting an increasing demand. Undoubtedly, if Canada is to compete seriously for the canned fruit trade of this country, the most careful attention will need to be paid to grading and packing in order to overcome the established demand for Californian and other United States canned fruit products.

One well-known Canadian firm continues to maintain a high reputation in the Liverpool market for evaporated unsweetened full cream milk. During the first half of the year Danish quotations were competitive, ranging from 17s. 6d. in January to 18s. 6d. in June for cases of 48 tins of 16 ounces net c.i.f. Following June, Danish exchanges appreciated, with a resultant effect on quotations from that country, and Canadian and American milks secured the bulk of the trade. At the close of the year Canadian offers were meeting with a good demand, although Danish shippers were again in the market at around 20s. 9d. c.i.f.

Dutch prices for full cream sweetened condensed milk opened the year around 18s. 6d. c.i.f. and closed in the neighbourhood of 20s. 9d. The famous Anglo-Swiss Corporation do by far the most important trade in this commodity, and secure much better prices than supplies from other countries. Canadian and American milks of this class have not been competitive in Liverpool during 1925.

Holland and Denmark do the largest portion of the business in skimmed sweetened condensed milk to this district, and of the two, Holland is the larger supplier. Prices in January for these descriptions were around 10s. to 11s. 9d. and closed the year around 10s. 6d.

HIDES

Liverpool and Warrington, a neighbouring city, are important tannery centres. Fluctuations during the past year in the prices of hides have not been wide, and nearly all classes are somewhat lower than in 1924. The following table shows the imports to Liverpool for the first eleven months of the past three years:—

	1923	1924	1925
South America	860,059	1,103,371	1,157,157
North America	46,641	270,257	109,945
Brazil and Central America	182,722	259,709	185,196
Europe	138,340	81,646	123,472
Australia	101,623	153,019	121,721
East India	220,833	189,111	285,570
Africa	591,115	473,986	699,757

Shipments from South America show a steady increase during this period. Russia has been purchasing large quantities of River Plate hides during recent years through Liverpool. While it is difficult to accurately assess the value of this import and export business to Russia, one important authority estimates that approximately half the total imports of South American hides have been disposed of to that country. North American hides imported into Liverpool are mainly sent to tanneries in Lancashire and Cheshire, although a fair proportion go to the Midlands and Scotland. Nineteen hundred and twenty-five has been an unsatisfactory year for leather producers, as, although cost of production has been as high as the previous year, demand has not been adequate, with the result that most producers have passed through a lean period.

TRADE WITH WEST AFRICA

Liverpool is an established entrepôt for trading with the West African colonies. The past year has been one of decided improvement in this trade with exports and imports higher than in any previous year, whilst in value the trade was slightly under the figures reached in 1920. Liverpool supplies the needs of West Africa in manufactured goods and certain foodstuffs, and receives in return imports consisting mainly of palm oil, palm kernels, ground nuts, and cocoa. It is estimated that during 1925 contracts were made for shipping some 80,000 tons of palm oil to Liverpool from West Africa and that over 120,000 tons of palm kernels were imported. As the crops of most of these colonies and protectorates have been plentiful and prices above the average (with the exception of cotton), the prospects for 1926 are considered favourable.

TRADE COMMISSIONER A. B. MUDDIMAN'S FORTHCOMING VISIT TO CANADA

Mr. A. B. Muddiman, Canadian Trade Commissioner in Singapore, will arrive in Vancouver on February 24 on his way to Rotterdam, to which post he is being transferred. He will make a business tour of the Dominion in the interests of Canadian export trade to the Straits Settlements, Siam, the Dutch East Indies, and Holland. Canadian firms who are interested in any of these countries and who desire to be brought in touch with Mr. Muddiman or to interview him are requested to communicate at an early date with the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa, in order that the necessary arrangements may be made. Firms in British Columbia who desire to interview Mr. Muddiman are asked to notify Mr. Hugh Dalton, Secretary B.C. Division, Canadian Manufacturers' Association.

REVIEW OF ECONOMIC CONDITIONS IN THE WEST OF ENGLAND, SOUTH WALES, AND SOUTH MIDLANDS

TRADE COMMISSIONER DOUGLAS S. COLE

Bristol, January 4, 1926.—The keynote of 1925 economic conditions throughout this important area is tranquility and normal business in the West of England, deep depression in South Wales, and a sharp mixture of depression and prosperity in the South Midlands area.

In Canada it would be impossible to find such keen contrasts in a district geographically as small as the Bristol area. Yet when the population of over 12,000,000 is considered and the key industries on which this population is dependent are analyzed, the explanation is comparatively simple.

The West of England area is largely agricultural, though possessing many industries such as the mammoth tobacco and chocolate manufacturers who enjoy a fixed trade unknown to other parts. The chief Bristol trade is that of distribution of the important Avonmouth traffic, which is largely imported grain and produce. In this trade Canada plays a most important part, and a recent report reviewing the trade of this port was published in *Commercial Intelligence Journal* No. 1141, and will not be recapitulated.

Suffice it to say that the year's trade has been satisfactory. Imports of grain, butter, cheese, flour, apples, and general cargo comprise the bulk of the port trade and exports do not ever exceed 15 per cent to 20 per cent of the total trade. The control of the South Wales ports by the Great Western Railway system is taking some trade away from Avonmouth and in time will have a definite effect on the flow of Bristol Channel traffic.

ACUTE DEPRESSION IN SOUTH WALES

The South Wales coal trade is going from bad to worse, and the year 1925 is without a parallel in the history of the industry, according to the *Western Mail Trade Supplement* just published.

Since 1913, the peak year of prosperity of this great industry, the story has been one of constant conflict with labour. Concession after concession was granted the miners throughout the war, and after the cessation of Government control in 1921 successive advances were made in the minimum wage to the workers.

CAUSES OF COAL TRADE DEPRESSION

Adverse conditions in the coal trade hinge on four main factors:—

1. The "ca canny" policy of the miner has resulted in decreased production despite higher wages and the decrease from eight to seven hours' labour has intensified the result. Increased use of mechanical conveyors and coal-cutting machines should have more than overcome the great depth and deeper seams to be worked.

In 1913, when 233,000 miners were employed in South Wales, the output established a record of 243 tons per person for the year. In 1923, with the seven-hour day in operation, the average was 215 tons, and in 1924 only 204 tons. The 1925 figure for output per person will be even less.

2. Another factor is that certain markets are lost for ever. Pre-war the British navy took 1,750,000 of Welsh admiralty quality coal per annum—to-day the figure is 350,000 tons; while it is estimated that 2,000,000 tons of Welsh trade is lost per annum through the adoption of fuel oil for line traffic. Further, the increased use of internal combustion engines in merchant ships and the extended use of electricity for industrial purposes, entailing lessened consumption of coal, have all had their effect.

3. The greatest reason of all for depression is found in the European situation. Welsh coal exports fell off 5,000,000 tons in 1925 owing to the cheapness

at which German and other coals were placed on the market. The quality was not comparable with Welsh supplies.

The German Government gave the German mine owners every encouragement and assistance by granting bank credits to get the German miners back at work. Industrially, conditions in Germany were bad and to find an outlet for their supplies prices were accepted even below the cost of production, taking into account longer hours and lower wages than in the Cardiff district. The German wages were 7s. 3d. per shift, the French 5s. 4d., compared with 10s. 9d. per shift in Wales.

Added to the above is the fact that the Germans have to deliver stipulated quantities of coal to France, Italy, and Belgium under the Reparations Agreement, and until 1931 a large market has been lost.

4. All through the early months of 1925 the Welsh miners' leaders constantly asserted that the industry was in for the greatest fight of its existence. The South Wales colliery owners through their excessive costs were not only bound to hold out for relatively high prices but also could not guarantee deliveries. The natural result was that customers such as the South American railway companies placed large contracts in the United States for coal which did not suit them in every respect.

Coal exported from South Wales in 1924 totalled over 25,000,000 tons and valued at £31,000,000 odd. During 1925 the volume was 19,000,000 tons and valued approximately £22,000,000. Of this quantity, Cardiff alone handled 11,000,000 tons valued at £13,000,000.

ANTHRACITE TRADE

South Wales produces from 91 to 93 per cent of the total United Kingdom anthracite production, and Mr. H. H. Merritt, director of Messrs. Llewellyn Merritt & Price, Limited, reviewing the 1925 trade, states that Canada may now be regarded as a substantial customer for Welsh anthracite and during the period of open water can comfortably absorb 500,000 tons per annum or approximately 10 per cent of the South Wales output. He estimates that 1,000,000 tons represents the potential market, but in view of the necessity of exporting this quantity in seven months it is doubtful if such a volume may be reached without dislocation of the market. He further states that in five years Canada has altered from a casual and uncertain customer to an enthusiastic and regular buyer.

A recent and interesting development in the Canadian market is a scheme for the conversion of the fines and duff coal into anthracite ovoids by the use of waste sulphite liquor. These liquors are available in millions of gallons from the pulp mills and have proved to be a suitable binder.

METAL TRADES

Iron and Steel.—During 1925, owing to their cheaper coal, continental makers of iron and steel were able to dump their product to the extent of 800,000 tons in South Wales at prices from 30s. to £2 per ton below Welsh cost of manufacture, while the slump in French exchange has had a marked effect in the last few months.

Tinplate.—The year closes with the tinplate trade active after a somewhat checkered year, and in December, 1925, out of 20,000 workers engaged in the industry less than 500 were unemployed.

South Wales manufactures the majority of tinplates in the United Kingdom, but no longer does that district hold its old monopoly as a tinplate-producing centre. Former markets such as the United States, Canada, India, Germany, and Japan are diminished, for these countries are themselves producers since the war. In addition the United States and Germany are now exporters and active competitors of South Wales.

Total production of tinplates in 1925 is estimated at 16,000,000 boxes, which is 1,000,000 less than for 1924, the premier year in the industry. The recent revival is largely owing to the excellent fruit harvests in Canada and the United States and the growth in the canning trade in fish, meats, etc. It is believed that 1926 production will constitute a new record.

The most important event outside of the coal trade depression is the completion of arrangements for the pooling of orders in the tinplate trade. The scheme will be tried out in the first half of 1926 and covers 85 per cent of the tinplate manufacturers. It provides for the pooling of all orders for work, with penalties for over-production and allowances for under-production. The aim is to stabilize prices and employment throughout the industry.

Galvanized Sheet.—In the galvanized sheet trade there was a real expansion in production and export. A new post-war record is established although pre-war levels were not regained. The largest producers are Messrs. Lysaghts (Limited), of Newport, who operate forty-eight sheet mills and whose operations are now being extended to include manufacturing or finishing in Canada.

South Wales produces one-half of the total output of the United Kingdom, and of this production only about 20 per cent is for home consumption. These sheet makers have a pooling scheme which regulates their trade.

Exports of galvanized sheets to Canada are decreasing. In 1913 Canada imported 32,198 tons valued at £470,000. In 1924 these figures dropped to 17,473 tons and in 1925 to 8,672 tons for the first eleven months.

SHIPPING FREIGHTS FROM SOUTH WALES

It was thought the depths of depression had been reached in 1924, but 1925 is, if anything, worse as regards the outward freight market. The list of shipping firms which were forced into liquidation in 1924 has been added to in the past year.

Outward freights followed a downward trend, and despite stringent economies, revenue generally was insufficient to meet disbursements. To quote the correspondent of the *Western Mail Trade Supplement*, "the state of affairs (in 1925) was so serious that vessels launched during the year, equipped with the most modern appliances for facilitating despatch with loading and discharging were laid up because of the impossibility of making them pay their way."

The strike of American anthracite miners brought immediate relief, due to the American demand for anthracite and dry coal.

The volume of open market chartering at South Wales ports shows a reduction of 615,000 tons and compared with 1913 the total is 3,689,000 tons less. Cardiff volume in 1925 was 12,784,000 tons and Swansea 2,506,220 in the past year.

SIGNS OF IMPROVEMENT IN TIMBER TRADE

House building has been active throughout the year, but unfortunately was more than counterbalanced by decreased timber demands by the collieries, wagon builders, and case makers. The last quarter of the year has brought improved trade in case making, and this is in itself a healthy sign in the export trade. The tinplate trade also has improved, and such manufacturers are heavy consumers of timber. It is regrettable to report that despite the closest co-operation of the Canadian timber exporters it has been impossible to place Canadian timber at a competitive price for the manufacture of tinplate boxes.

Cheaper grades of continental timber have been fairly steady in price throughout the year with fluctuations however in joinery timber. Imports are normal but the early closing of the Baltic ports by ice has resulted, it is understood, in a considerable quantity of timber being left in Sweden and Finland until spring navigation. Ample stocks are reported all over the district.

MILLING TRADES OVERSEAS INTEREST

The principal milling companies operating at South Wales ports have valuable interests abroad and as is well known Messrs. Spillers Milling & Associated Industries Limited now control a chain of grain elevators in Western Canada with terminal facilities at Vancouver. Messrs. Joseph Rank Limited have allied themselves with Argentine producers. The large mills at Barry, Cardiff and Swansea have a weekly capacity of 50,000 sacks or over 6,000 tons.

Interest in the milling trade has been focused during the year by the inquiries of the Royal Commission on Food. Their report contained the very obvious fact that the price of grain and flour depends upon world factors uncontrolled by United Kingdom importers. Of more interest was the criticism of the high retail cost of bread to the consuming public. The matter is highly controversial and suffice it to say that millers in South Wales believe that standardization of bread prices is as yet afar off, and that they consider there is no means of avoiding wide fluctuations in wheat prices which are controlled largely from Chicago and Winnipeg.

TRADE CONDITIONS IN SOUTH MIDLANDS

In the South Midlands, trade in 1925 presents a number of conflicting factors. On the dark side statistics indicate increased imports and decreased exports. In 1924 the excess of imported over exported merchandise increased alarmingly and is further accentuated in 1925. Generally speaking the depression which overhung the Birmingham basic industries twelve months ago has not lifted and the coal complex is still very much to the fore in the iron and steel trades.

Fortunately there is a bright side to the situation. Unemployment has declined substantially and the Birmingham barometer shows a decrease from 34,000 to 35,000 a year ago to 23,000 at Christmas, 1925, of which 2,000 are described as temporarily unemployed. Taking the Midland area as a whole, the reduction is from 163,000 to 129,000 in twelve months which does not equal Birmingham's 35 per cent reduction.

A sharp increase in motive power employed in industry is shown, the growth in the consumption of electricity being maintained at 20 per cent over 1924

CLEARING HOUSE RETURNS INCREASED

The Birmingham clearing house statement is better than 1924 and shows a bigger proportional increase in Birmingham than in any other of the leading cities. The Municipal Bank continued to expand, deposits of over six and a half million pounds being reported two weeks ago while large advances have been made to assist housing.

IRON AND STEEL TRADE IN 1925

The iron and steel industry has sunk deeper into the mire during the past year. Statistics will not be reviewed but Birmingham trade figures indicate that whatever expansion has taken place in 1925, the British industry has had no part in it. Out of 486 blast furnaces, 167 were in operation at the end of 1924 and the November, 1925, figure is 141.

For five years the Midland iron and steel trade has been striving to recover its equilibrium. In its struggle it has had to contend not only with the impoverishment left by the war but with the efforts of continental competitors to take advantage of the economic disruption. The deliberate policies followed on the continent of currency depreciation as a stimulus to exports has had its full effect in the Birmingham area and has of course had the double effect of eliminating internal debts.

The government has refused assistance under the Safeguarding of Industries Act owing to the intricate and complicated nature of the industries involved. Nevertheless faith in the future of British steel is shown by the additional capital which has been placed this past year in plants of the most economical type. Also it is not without significance that while the exports of iron and steel have not been maintained exports of machinery have increased.

MOTOR CAR AND CYCLE TRADES FLOURISHING

Birmingham, Coventry and Wolverhampton have played a leading part in the sharp advance of the British motor car industry. By their production of a cheap small car they have reached out to a new public while their export trade has definitely increased.

The re-enactment of the import duties has given manufacturers valuable encouragement in competing for export trade against continental rivals, whose advantages in production costs and depreciated exchange have been fully exploited. In this area the small light car of low power and the saloon type of high power control the market. The rubber boom has made tires dear but motor vehicles have been put on the market at lower prices than ever.

Regarding Canadian motor cars, the products of General Motors of Canada are seen on all sides particularly Buick closed cars which are extremely popular throughout the area.

TRADE IN COVENTRY AREA

Throughout the year trade in the Coventry area has been booming and unemployment extremely light in comparison with other centres. Conditions have been on the up grade with machine tool firms, electrical engineering concerns, chain manufacturers, body builders, stamping and forging manufacturers, and the hundred kindred trades which are accessory to the motor car and motor cycle industry. The exceptions to the general improvement are the textile industries apart from the artificial silk branch, which is flourishing.

In the motor industry Coventry was the storm centre of protest which arose throughout the United Kingdom when the McKenna duties were allowed to lapse by the previous government and naturally the re-imposition was welcomed.

JEWELLERY AND FLINT GLASS TRADE

Business has been patchy in both throughout the year and the Birmingham jewellery traders who have had several lean years are not over optimistic. With the exception of high-grade cutglass, the glass trade is somewhat depressed. The Safeguarding of Industries Committee have rejected their application for a duty and therefore the manufacturers of flint glass are pessimistic. The British market is flooded with cheap continental glass which crowds out the domestic articles with the exception of the highest quality.

HARDWARE TRADE

Despite many set backs during the year the hardware trade has made some advance. In centres like Birmingham the large increase in the wage fund resulting from the re-absorption of labour has stimulated activity in all channels of trade. Household appointments and domestic utensils are being bought on a larger scale and the efforts to overcome the house shortage in Birmingham area has involved heavy demands for light castings and other builders' hardware. As regards exports the Far East is reported as the best market and Canada as a deteriorating market.

The enamelled ware trade are seeking protection under the Safeguarding of Industries Act and at present the hearings are under way. The application is for all hollow ware manufactured from sheet iron or steel by stamping, spinning or pressing and coated with enamel by a process of fusion. Cast holloware is excluded from the application which was submitted by the Enamelled Hollow Ware Section of the Hollow Ware Association.

TRADE OF THE UNITED KINGDOM IN 1925***II****TRADE COMMISSIONER HARRISON WATSON****Economic Conditions—Continued**

It has already been remarked that a grievous level of unemployment continued throughout 1925. Until the very end of the year, when the figures indicated some slight amelioration, there were frequently more unemployed than in 1924, and there was in any case no all-round improvement. This unfortunate situation was entirely due to the prolongation of inactivity and depression in several of the great industries, and the number officially reported to be unemployed on the 31st December, 1925 was 1,166,000.

While there exists greater activity, with more employment, in so-called "sheltered" trades, there is practically no forward movement in those industries which are subject to fierce foreign competition.

In so far that the measure of prosperity in different branches is reflected by the state of employment, the present position is adequately epitomised by a statement made in the Report of the Ministry of Labour which has just been issued and is reproduced as follows:—

At the end of 1925 employment was good, on the whole, with brickmakers, and with skilled operatives, other than painters, in the building trades, and fairly good in the furnishing and printing trades, in certain branches of the metal trades, and with coachbuilders and mill-sawyers. In the coal-mining industry it was still slack, and in the iron-mining, iron and steel, shipbuilding and marine engineering industries it was bad.

As compared with the end of 1924, there was an improvement in the tinplate, hosiery, clothing, furnishing, woodworking, paper manufacture, printing, and certain of the metal trades, but a decline in coal and iron mining, pottery, shipbuilding, marine engineering, and the silk and linen industries.

INCREASED DEMAND FOR BRITISH EMPIRE PRODUCTS

Another noteworthy event of the year has been the development of a campaign in favour of giving preference to the products of the United Kingdom and of the British Empire generally. While the movement is partly the recognition of the advisability of developing trade within the Empire, and has gained acceleration by its adoption as a feature of the policy of the Government now in power, its real inception is traceable to the British Empire Exhibition. Although the Exhibition itself is an affair of the past, there are signs that the splendidly comprehensive displays made by the Dominions and Colonies, have exercised a permanent influence upon the traders and consumers of Great Britain.

A noticeable feature of the work of the London Office during the past year has been the interest shown in Canadian timbers by Departments of the British Government and important local bodies, in addition to constant inquiries from the timber trade.

During the two years that the British Empire Exhibition was open, our Exhibition authorities and the Canadian Trade Commissioners, in co-operation, supplied, either directly or indirectly, collections of Canadian food products, resources, and certain manufactured commodities, to departmental stores, retailers, and similar firms participating in the British Shopping Weeks, Window Displays, and similar forms of propaganda.

More recently, the movement has received impetus from the holding by many of the leading cities of British Shopping Weeks, in response to exhortations made by the President of the Board of Trade. It was suggested that the Christ-

* The first part of this report appeared in our last issue.

mas Shopping period would be the most suitable time. Although the plan was adopted by a number of cities and towns, the short period intervening rendered it difficult to make the comprehensive arrangements needed. It is reported that most of the Shopping Weeks were so successful that they will be renewed next year. In this connection it is also intimated that with plenty of time to perfect organization, succeeding weeks will be upon a much more elaborate and comprehensive scale.

As all these media of display and propaganda promise to become permanent, it is manifestly advantageous that Canada should turn to full account the opportunities that are occurring of still further increasing our export trade.

It is also obvious that whereas Canadian Government officials can render a certain amount of co-operation, this is confined to organization and supervision and an important source of exhibits disappears with the closing of the Canadian Pavilion at Wembley, and that in the future, more than ever, the achievement of results must depend upon the individual action and enterprise of Canadian exporters themselves. One would judge that up to the present our exporters generally are not showing the active interest exhibited by business firms in certain of the other Dominions.

Features absolutely essential for the establishment of definite and permanent trade are maintenance of high quality and assurance of regular delivery, and experience testifies to the great practical advantage of the adoption of a definite brand or mark, in order that the consumer who wishes to secure British Empire, in contrast to foreign, products, should possess guidance as to articles to demand, and power to enforce his getting what he wants.

The actual introduction and distribution of the Canadian provisions and similar foodstuffs must be dealt with by firms resident in this country, so any Canadian firm who wishes to participate in the movement and is not already represented, should secure the services of an influential importing firm, and, moreover, provide that firm with the necessary support.

Foreign Trade

As will be apparent from the figures and tables reproduced hereafter, 1925 witnessed a continuation of the tendency of recent years, whereby the value of imports has regularly increased, while exports have practically stood still.

As regards the following table giving the results of the overseas trade of the United Kingdom for 1925, together with those of the two previous years, attention must still be directed to the circumstance that up to March 31, 1923, the trade of the Irish Free State was included in the corresponding statistics.

	1923	1924	1925
Imports	£1,096,226,214	£1,277,439,144	£1,322,858,167
Exports of British products	767,257,771	800,966,837	773,086,410
Re-exports	118,543,805	139,970,143	154,410,967
	<hr/> £1,982,027,790	<hr/> £2,218,376,124	<hr/> £2,250,355,544

The most immediately noticeable feature is the valuation of imports, which, in spite of a fall in price, exhibit an increase of nearly £50,000,000 in value over 1924, and attained the remarkable total of £1,322,858,167. It is worthy of remark that this total has only been twice exceeded, in 1919 and 1920, when prices were greatly inflated due to war conditions.

In contrast, British exports in 1925 (valued at £773,086,410) showed an actual falling off of nearly £28,000,000, although, resulting from greater prominence in entrepôt trade, total exports (£927,497,377) reduced the deficit to a net figure of £13,500,000.

These results, at first sight, are both unsatisfactory and disappointing. It frequently happens, however, that statistics, unless supplemented by explanation, are apt to be misleading. It is therefore desirable to mention that no less

than £20,000,000 of the advance in the value in imports is due to the phenomenal increase in the price of rubber. It seems also certain that the hurried importations which took place in the early summer of exceptional quantities of manufactures in order to escape the payment of "McKenna" and luxury duties must have swollen the total. Upon the other hand, a substantial proportion of the decline in British exports is represented by the further collapse in the export coal trade, which, in value, fell away by over £21,500,000.

A disappointing feature, however, and one which cannot be explained away, is that imports of foreign wholly manufactured goods exceeded those of the previous year by £20,000,000; whereas during the same period the value of British manufactures which were sent abroad dropped by £2,000,000.

Further details of the movements of both import and export trade during 1925 are given in the classification tables which follow:—

TABLE OF IMPORTS, EXPORTS AND RE-EXPORTS, ACCORDING TO THE BOARD OF TRADE CLASSIFICATION, DURING THE CALENDAR YEARS 1923, 1924, AND 1925

(a) Imports, Value c.i.f.

	1923	1924	1925
Food, drink and tobacco	£ 508,864,731	£ 571,127,940	£ 571,613,080
Raw materials and articles mainly unmanufactured	324,961,793	400,019,414	425,208,676
Articles wholly or mainly manufactured ..	256,978,844	299,773,852	319,840,449
Animals, not for food	1,543,418	2,527,837	2,362,689
Parcel post, non-dutiable articles	3,877,428	3,990,101	3,893,273
Total	£1,096,226,214	£1,277,439,144	£1,322,858,167

(b) Exports of Produce and Manufactures of the United Kingdom, Value f.o.b.

	1923	1924	1925
Food, drink and tobacco	£ 44,343,549	£ 56,957,520	£ 54,997,888
Raw materials and articles mainly unmanufactured	130,815,847	106,481,725	84,370,664
Articles wholly or mainly manufactured ..	579,949,674	618,855,491	616,278,936
Animals not for food	1,400,177	2,299,325	2,297,448
Parcel post	10,748,524	16,372,776	15,142,274
Total	£ 767,257,771	£ 800,966,857	£ 773,086,410

(c) Exports of Foreign and Colonial Merchandise, Value f.o.b.

	1923	1924	1925
Food, drink and tobacco	£ 24,543,406	£ 29,849,071	£ 32,164,817
Raw materials and articles mainly unmanufactured	66,751,911	76,226,904	90,673,041
Articles wholly or mainly manufactured ..	27,164,099	33,742,633	31,464,138
Animals, not for food	84,389	151,535	108,971
Total	£ 118,543,805	£ 139,970,143	£ 154,410,967

EXCESS OF IMPORTS OVER EXPORTS

As may be imagined, considerable uneasiness is being caused by the further expansion in the preponderance of imports over exports. This disparity has steadily increased, and in 1925 the so-called "adverse balance" attained the imposing total of £395,360,790, an increase of £58,858,626 over 1924.

The Government are hopeful that further growth will be checked by the recently imposed safeguarding import duties, when sufficient time has elapsed for their operation to be felt.

Attention has been called earlier in the report to the important position occupied by so-called "invisible exports" in arriving at a balance sheet, and to

the fact that the Government has just completed a very thorough investigation of previous estimates. The results of this are embodied in the following table, which is published to-day:—

Particulars	In Million £.		
	1925	1924	1923
Excess of imports of merchandise and bullion	386	324	195
Excess of government payments made oversea	15	28	25
Total	401	352	220
Net national shipping income	115	130	120
Foreign ships' disbursements in British ports	9	10	13
Net income from oversea investments	250	220	200
Commissions	40	40	30
Other services	15	15	10
Total invisible exports on balance	429	415	373
Income available for investment oversea	28	63	153

As the monthly figures of imports and exports issued by the Customs afford a valuable indication of the fluctuations of trade, and also the relation of imports to exports, the figures for 1925 are shown:—

Month	Imports	Total Exports	Excess of Imports
January	£ 128,907,045	£ 82,334,173	£ 46,572,872
February	110,147,961	83,209,864	26,938,097
March	112,861,032	83,079,815	29,781,217
April	110,358,208	73,287,548	37,070,660
May	104,278,466	78,703,466	25,575,000
June	110,982,155	69,493,391	41,488,764
July	98,744,849	76,202,599	22,542,250
August	91,732,604	74,537,667	17,194,937
September	97,925,034	71,260,698	26,664,336
October	108,838,924	80,459,406	28,379,518
November	114,692,884	74,515,622	40,177,262
December	134,268,727	80,413,128	53,855,599
Totals (unrevised)	£1,322,858,167	£927,497,377	£395,360,790

IMPORTS FROM CANADA

As the Customs publish each month returns of imports, together with chief countries of consignment, of a number of articles of food and raw materials, unrevised statistics of this trade of the whole year are available within a fortnight of its end. Upon the other hand, it is not until the complete Annual Statement of Trade is published that the details of the bulk of imports, and also of exports, are available.

With the increased work imposed upon the Customs by the constantly introduced new import duties, the issue of the Annual Statement has been increasingly delayed. This year the publication of the complete 1924 figures preceded only by a few days the issue of the December trade returns which contain the results of 1925's imports of provisions and similar foodstuffs and raw materials.

Before proceeding to the customary review of those 1925 imports in which Canada as an important participator, it seems interesting to make some slight reference to a few of the 1924 results which have not previously been dealt with.

In last year's report, attention was directed to the gradual reduction—in some cases to vanishing point—in many lines of manufactured goods which Canada had shipped to the United Kingdom under war conditions. A survey of the Section of the 1924 Annual Statement which relates to manufactured goods, indicates that no appreciable recovery took place in 1924.

A notable exception was scientific instruments, more especially photographic apparatus, in which the already considerable Canadian exports further increased. There were, however, several satisfactory features connected with

articles of food and raw materials, imports of tobacco (stripped and unstripped) advanced from 955,507 pounds to 1,787,194 pounds, or almost double. Although even this increased total represents less than 1 per cent of the value of the tobacco which annually reaches the United Kingdom from all sources, it proves undeniable progress and is a favourable augur for the future.

Another Canadian natural product which has just come upon the British market is honey. In 1923 imports of Canadian honey amounted to 63 cwts. About that time the necessity of proper grading was at length appreciated and adopted, with the result that imports of honey from Canada rose to 3,867 cwts. in 1924. Moreover, quality has been maintained to such an extent that, supplemented by successful distribution, a definite demand has been established for so-called "Beekist" Canadian honey.

Another favourable case is asbestos, of which Canadian exports to this country more than doubled, expanding from 3,244 tons in 1923 to 6,564 tons in 1924.

Passing on to 1925, the appended table shows total imports and the quantities contributed by Canada and her chief competitors. Under all circumstances, Canada's share in wheat is satisfactory, more especially as it is certain that a considerable proportion of what was shipped from American ports, and thus credited to the United States, is really of Canadian growth. There is also a reduced importation of Canadian flour. Canada remained pre-eminent in this branch, and supplied nearly half of what was brought into the country.

It is noteworthy that whereas receipts of American bacon fell away, quantities from Canada exhibited a slight increase, and the same position applies to hams. The live cattle trade, now that preliminary obstacles seem to have been overcome, is making constant progress, and Canadian beasts appear to be making distinct inroads upon the previous monopoly enjoyed by the Irish Free State.

There was also a further increase in shipments of Canadian butter, and although this still represents a fractional proportion of the United Kingdom's requirements, better grading is securing Canadian butter a definite recognition, more especially in particular centres. An interesting feature of the year is a recovery in shipments of Canadian cheese, which brings the total to within measureable distance of Canada's supplanter and chief rival—New Zealand.

A noteworthy achievement of 1924 is the very large quantity of refined sugar which the Dominion supplied. Imports quadrupled in comparison with 1924.

Although the majority of the Canadian mills are still disinclined to operate in a market which is less profitable to them than that of the United States, the quantity of newsprint which Canada supplied to the United Kingdom made a big jump in 1925. Increased amounts of mechanical wood pulp were also contributed from the Dominion, and imports of timber generally were rather more active.

INQUIRY FOR SEMI-SOLID BUTTERMILK IN NORTH OF ENGLAND

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, January 28, 1926.—An inquiry has been received at this office from a North of England firm wishing to secure semi-solid buttermilk from Canada. A director of the firm in question had the opportunity of seeing this product in use at the Central Experimental Farm, Ottawa, last year, and has since received several inquiries for it.

According to the customs returns some 900 barrels of this product were imported to Liverpool from Canada during the last six months of 1925, and the United States are credited with over 400 barrels. The chief demand in this

section of England for semi-solid buttermilk is for pig feeding, and it is being aggressively advertised in this country in an attempt to develop its use for this purpose.

So far imports have been in the hands of one or two firms only, and it has not been possible to secure definite information as to prices. The firm making the inquiry, however, who are fully conversant with stock food values, estimate the c.i.f. Liverpool price at around \$4.75 to \$5 per 112 pounds. Shipments are made in tightly coopered 112-pound barrels.

A copy of the advertising propaganda being distributed by the American firm shipping to this country has been forwarded to Ottawa with this report. Any interested Canadian firms should study this folder as it is a most thorough-going advertisement for semi-solid buttermilk. The name of the firm wishing to secure Canadian supplies has also been furnished to the Department of Trade and Commerce. Interested Canadian firms are requested to communicate with the Liverpool office.

IMPORTS OF MOTOR CAR AND TRUCK PARTS AND BICYCLES AND TRICYCLES INTO BRITISH WEST INDIA COLONIES

(Year ended December 31, 1924)

Compiled by External Trade Branch, Dominion Bureau of Statistics

Colony	MOTOR CAR AND TRUCK PARTS							
	Total Imports		Imports from—					
			United Kingdom		United States		Canada	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
	No.	\$	No.	\$	No.	\$	No.	\$
Bermuda.....	(a)	35,630	(a)	2,744	(a)	32,504	(a)	259
British Guiana.....	(a)	6,536	(a)	36	(a)	6,500	(a)	...
Bahamas.....	(a)	30,908	(a)	170	(a)	30,456	(a)	282
Barbados.....	(a)	105,397	(a)	20,357	(a)	64,273	(a)	19,45
Grenada.....	(a)	18,187	(a)	1,387	(a)	7,586	(a)	9,173
Jamaica.....	(a)	451,286	(a)	80,104	(a)	294,205	(a)	85,765
Leeward Islands—								
Zntigua.....	(a)	7,119	(a)	491	(a)	6,379	(a)	...
Dominica.....	(a)	1,844	(a)	156	(a)	808	(a)	710
Montserrat.....	(a)	355	(a)	...	(a)	146	(a)	...
St. Kitts-Nevis.....	(a)	7,781	(a)	2,944	(a)	3,611	(a)	1,119
Virgin Islands.....	(a)	...	(a)	...	(a)	...	(a)	...
St. Lucia.....	(a)	4,857	(a)	2,205	(a)	2,068	(a)	555
St. Vincent.....	(a)	9,850	(a)	4,000	(a)	4,730	(a)	1,107
Trinidad and Tobago.....	(a)	106,585	(a)	8,046	(a)	94,982	(a)	3,192
Total Imports.....	(a)	786,335	(a)	112,940	(a)	548,248	(a)	121,619
Per cent.....	(a)	100.0	(a)	14.4	(a)	69.7	(a)	15.5

BICYCLES AND TRICYCLES (b)								
Bermuda.....	1,233	44,574	1,058	37,376	171	7,086	3	63
British Guiana.....	878	33,236	837	32,448	1	10	15	188
British Honduras.....	...	9,801	...	9,091	...	...	...	...
Bahamas.....	157	4,146	109	3,012	48	1,134	...	229
Barbados.....	...	8,502	...	7,319	...	467	...	...
Grenada.....	4	204	3	112	1	92	...	...
Jamaica.....	617	24,902	577	22,629	30	2,059	1	34
Leeward Islands—								
Antigua.....	3	477	2	380	...	...	...	...
Dominica.....	...	...	...	...	...	...	...	...
Montserrat.....	2	321	...	...	...	...	...	...
St. Kitts-Nevis.....	47	1,479	35	1,172	6	49	0	258
Virgin Islands.....	...	...	...	...	...	...	...	...
St. Lucia.....	9	1,932	4	1,032	3	866	...	...
St. Vincent.....	57	2,200	47	1,932	3	24	6	176
Trinidad.....	851	30,796	779	27,871	13	1,878	26	555
Total Imports.....	...	162,570	...	144,474	...	03,665	...	1,503
Per cent.....	...	100.0	...	88.8	...	8.4	...	0.9

(a) Entered at value only.

(b) Includes motor bicycles and tricycles.

ECONOMIC SURVEY OF FRANCE

TRADE COMMISSIONER HERCULE BARRÉ

Paris, January 5, 1926.—The year 1925 commenced in an atmosphere of uncertainty as to the future, and doubt as to the best way out of the internal and external economic difficulties. The persistent depreciation of the franc, which fell from 18.5 (to the dollar) at the end of 1924 to 27 in December, 1925, caused grave concern and serious embarrassment. However, there is a feeling that popular financial measures will be undertaken which will likely stabilize the franc and balance the budget. Should this expectation be realized, a period of quiet confidence, and renewed industrial and commercial activity, may be expected to follow. The trade of the country would react to the new spirit of confidence and show expansion in every direction, resulting in larger exports and imports.

The economic position of France is, however, fundamentally sound; the trade balance is in her favour, her wheat crops of 1925 provide nearly all her needs of breadstuffs, unemployment is unknown, industry and agriculture clamour for more labour and readily absorb the tens of thousands of new workers coming into the country. All these factors are signs of healthy conditions. The only unpromising features are the burden of the debt, the depreciation of Government securities, and the low exchange value of the franc.

THE CROPS OF 1925

The crops of 1925 have been considerably in excess of those of 1924, though not of uniformly good quality. With a slightly decreased acreage under wheat, the harvest has been 13,000,000 metric quintals more than in 1924—that is, 89,561,000 quintals against 76,000,000 in the preceding year. The quantity garnered would be sufficient to meet national needs were it not for the low grade of certain portions of the crop, which will necessitate importing about 4,000,000 metric quintals of high-grade wheat to strengthen these poorer qualities. This is a vast improvement compared to the period of 1924-25, when 15,000,000 metric quintals had to be imported. It is expected that this decrease in wheat imports will help improve the exchange value of the franc, while it is forecasted that the bulk if not all the necessary imports will have to come from Canada.

IRON AND STEEL SITUATION

Due to the restarting of practically all the blast furnaces destroyed during the war, and the inclusion of the Alsace-Lorraine works within the limits of France, the production of iron in France is now nearly equal to that of before the war, whilst the production of steel exceeds that of pre-war times. Thus, on November 1, 1925, there were 143 blast furnaces in full activity, against 135 at the same date the year before.

The metal trades in France are, however, dominated by the coke production, which is inferior to the requirements of these industries. Rapid improvement cannot be expected for various technical reasons. Because of this special circumstance, France is bound to remain a large importer of metal goods and machinery for many years to come.

TEXTILE INDUSTRIES

After a period of quietness early in the year, these industries experienced a fair improvement. At present the whole industry seems to be adopting a waiting attitude and manufacturers are unwilling to enter into contracts extending far ahead. They even hesitate to sell what little stocks they have on hand.

Buyers are also awaiting developments, ordering just enough for immediate needs. The depreciation of the franc, and the frequent and sometimes violent fluctuations of the rate of exchange, render dealings in futures a most hazardous risk.

FOREIGN TRADE IN 1925

The total of France's exports and imports for the first eleven months of 1925 reveal, on the whole, a satisfactory situation, despite the fact that the exports did not show the increase they were expected to in view of the steady depreciation of the franc. Nevertheless, the trade balance is in her favour.

The value of imports for the first eleven months of 1924 was 36 milliard francs as compared with 38 milliard 500 million francs for the corresponding period of 1925, and the value of exports has risen from 37 milliard 365 million francs in 1924 to 40 milliard 750 million francs in 1925. Both increases appear, however, to be due to higher prices generally than to a larger volume of goods. The percentage of value increase is about 7 per cent for the imports and 10 per cent for the exports.

French mines have further increased their production in 1925, thus lessening the dependency of France on foreign coal. Also, the harnessing of water-power is continuing, the result of which is a further decrease in the demand for imported coal. The check to the imports of other raw materials and manufactured goods is due to other factors described below.

FRENCH MANUFACTURERS' CAUTION

The lesson to be drawn from the foregoing figures is that whilst France has had to bear the full burden of increased prices for the goods imported during 1925, she did not get proportionately higher prices for her exports. French manufacturers seem to have thought more of retaining their foreign markets than securing higher prices for their goods.

There are at the present time no big stocks of raw materials or finished goods in France. Manufacturers have acted throughout the year with the utmost caution. They have bought only what was absolutely necessary for orders in hand. The explanation of this cautiousness is due in a large measure to the economic situation.

THE DAWES PLAN

The operation of the Dawes plan is bound to affect, for a time, Canada's exports to France. It has already done so in respect to sugar and paper-making machinery. French firms are being urged to order from Germany any materials they require which they cannot obtain in France. French importers pay the French Government the value of the German goods and the German Government in turn pay their nationals the value of such exports, which are credited to the Reparation Account. The effect of this arrangement is to reduce the imports from other foreign countries.

France is receiving in this way a fair amount on account of reparations, and to that extent is saved having to buy dollars and sterling. This should help improving the exchange value of the franc.

France is steadily increasing her paper industries, and for that purpose requires machinery in excess of her national production. Previously much of this was purchased from abroad, but in the future it will come largely from Germany. Likewise, the sugar crop in France being short this year, a large part of the deficit will be supplied by Germany. The ultimate result will be, no doubt, to enlarge France's purchasing power abroad, when Canada will benefit in a general way.

EFFECT OF THE DEPRECIATION OF THE FRANC

The depreciation of the franc and the uncertainties of the political and economic situation have acted as a brake upon imports in excess of absolute

immediate requirements. Thus the decreased imports from Canada of certain lines, such as furs and raw skins, tar and asphalt, meats salted and canned are accounted for. Our condensed milk has suffered from the extensive propaganda of some American firms, who sell at a very low price to capture the French market. Our exports of nickel have decreased owing to the effect of the low exchange and the increased production of the French mines. It may be of interest to mention that an Anglo-Franco-Greek company have just acquired the rights to work nickel deposits recently discovered in Greece. After the needs of Greece have been provided for, France and England will share the surplus production of these new deposits.

In spite of the many adverse conditions, Canada's exports to France of certain lines, like cheese, canned fish, fresh fruits, mechanical and chemical wood-pulp, copper, lead, rubber goods, have shown a satisfactory increase, as the following figures will indicate:—

Chief Imports from Canada showing increases in 1925 over 1924 (11 months)

	Quantities given in metric quintals		Value in France	
	Quantity 1924	1925	1924	1925
Cheese	444	489	421,000	489,000
Canned fish, dry and salted	77,477	80,447	28,690,000	31,983,000
Fresh fruits	1	83	.....	42,000
Wood pulp:				
Chemical	11,796	25,138	1,854,000	6,070,000
Mechanical	65,504	138,191	2,555,000	5,341,000
Copper	331	2,627	455,000	1,840,000
Lead	8,123	16,057	2,436,000	5,760,000
Rubber goods	1,291	2,346	3,018,000	6,685,000

Chief Imports from Canada showing decreases in 1925 over 1924 (11 months)

	1924	1925	1924	1925
Meat, salted, etc.	1,370	18	1,084,000	18,000
Furs and raw skins	4,020	1,400	3,842,000	2,437,000
Cereals (wheat and flour)	3,174,094	1,636,136	299,609,000	184,737,000
Sugar	32,320	4,680	7,688,000	699,000
Fodder and bran	561,004	153,539	21,743,000	9,467,000
Tar and asphalt	7,089	3,571	4,278,000	1,005,000
Nickel	10,657	34	6,804,000	49,000
Machinery	104,243	94,772	38,564,000	31,141,000
Milk, condensed	677	19	185,000	12,000

CONCLUSION

An increase of trade activities in France, following the restoration of public confidence, consequent upon the adoption of measures to reduce the debt and stabilize the franc, is a possibility of the near future. Should this optimistic forecast come true, we may confidently expect much greater improvements in those lines which, under adverse conditions, have been able to show progress. At the same time we have every reason to hope that we may regain the lost ground of most lines showing a decrease this year, and possibly exceed, in some cases, their former high peaks.

INDUSTRIAL FAIR IN BASLE, SWITZERLAND

The Consul General for Switzerland announces that the tenth Swiss Industrial Fair will be held in Basle from April 17 to 27 of this year. This fair is an annual event well known to the European and overseas commercial world and, as formerly, it is expected to attract a great number of business men who are interested in getting in closer touch with Swiss manufacturers. Any information desired by Canadian firms will be furnished on application to the Swiss Consul General for Canada, 698 St. Catherine's St. West, Montreal.

THE SUGAR SITUATION IN BELGIUM

TRADE COMMISSIONER YVES LAMONTAGNE

Brussels, January 15, 1926.—The 1925 beet-sugar manufacturing season has just closed and the question of what is to be done in the spring is being anxiously discussed by the Belgian beet growers, who have formed a National Federation to consider the situation.

In common with all European producers of sugar-beets, Belgian growers are keenly feeling the competition resulting from the increased cultivation of the sugar-cane, especially in America. It is pointed out that whereas the world production of cane sugar has tripled in the last 25 years, the increase in beet-sugar has been relatively insignificant.

The over-production of sugar last year has brought about a considerable decrease in its price, offerings having exceeded the demand, and as the price of sugar is used as a basis for the price of beets, beet prices have been adversely affected. At the present prices, despite its good yield in weight of sugar, the cultivation of sugar beets in Belgium is unprofitable. In 1912, beets averaging 16.5 per cent sugar fetched 33 francs per 1,000 kilos (\$6 per ton of 2,000 pounds) and in 1920 and 1924, prices rose to 180 francs (\$8 per ton). Prices, however, fell to about 100 francs (\$4.15 per ton) in 1925, bringing losses to the growers which are estimated at from 800 to 1,800 francs per hectare (\$90 to \$200 per acre).

DECREASED ACREAGE EXPECTED

Five or six weeks ago there was talk of an eventual decrease of as much as 50 per cent in the larger areas under beet cultivation in Belgium during 1926, while small holdings were expected to suffer to a lesser extent owing to the fact that a good proportion of their sugar beet leaves are used for ensilage, these leaves being considered as good as fodder beets for this purpose.

The use to which land formerly under beets would be put has also been the subject of discussion, and in the event of its being given over to the cultivation of grain, such as oats, wheat and linseed, the conclusion is that the increase in such crops is not likely ever to greatly influence the price of grain. Belgium is so dependent on imports for its needs in oats, that an increased home production of this commodity would hardly affect the market. As for wheat, the Belgian product is not very suitable for milling purposes and its usual low price would be still more unfavourably affected by an increase in the quantity to be disposed of. A better quality of wheat seed would be required to meet the situation.

At the present time, however, while there is a great divergence in the views expressed, it looks as if the decrease in the areas under sugar beets would be very much smaller than was at first anticipated. Notwithstanding the heavy fluctuations of the market, the cultivation of sugar beets in Belgium is such an important factor in the economic life of the country that it will not be lightly abandoned.

IMPORTANCE OF THE BELGIAN BEET SUGAR INDUSTRY

In Belgian agriculture generally, beet growing provides a very large source of revenue and it possesses relatively few elements of chance. From 1846 onwards, the cultivation of sugar beets in Belgium has constantly increased. In that year, a total of 2,125 hectares (5,250 acres) were under cultivation, and in 1880, there were 32,627 hectares. In 1924 there were 80,000 hectares (197,600 acres) under sugar-beet cultivation, while in 1925 the area decreased to 72,478 hectares (179,020 acres). The number of growers is actually estimated at about 50,000.

Whereas the cultivation of beets has kept on increasing, the number of refineries has decreased owing to various factors, among others the relatively

high costs of manufacture in the smaller industries resulting in their being absorbed by more powerful interests. There were 174 establishments in Belgium in 1873 and there are now only 54, their production of beet sugar being 400,000 metric tons in 1924 as against a production of about 380,000 tons in 1925.

It has been estimated that for a production of 380,000 tons, approximately 2,600,000 tons of sugar beets are required, and the cost of labour involved in the cultivation of this quantity is placed at about 39 million francs (\$1,770,000), to which renewal and miscellaneous costs amounting to about 15 million francs (\$680,000) should be added. Another sum of nearly 761,000,000 francs (\$34,-600,000) may be taken to cover the cost of such items as seeds, pulps, molasses, coal, coke, manufacture, etc., and a further sum of about 50,690,000 francs (\$2,300,000) may be considered as taken up in transportation charges.

The tremendous asset which the sugar beet industry is to the economic fabric of the country can be appreciated when it is realized from the above figures that an output of 380,000 tons of beet sugar, worth 320 million francs (\$14,500,000) to the growers, involves a total expenditure of approximately 865,690,000 francs, or nearly \$39,350,000 at the present rate of exchange (22 francs per dollar).

BELGIUM'S SUGAR TRADE

Another factor to be considered is that the production of beet-sugar in Belgium exceeds the home demand and one of the results of this excess is the betterment in the value of the franc owing to the exportation of this commodity.

The following figures show the sugar imports and exports of Belgium during the ten months ending October 1925, these being the latest available:

Beet Sugar, Raw.—Total imports, 870,259 kilos, valued at 1,402,582 francs (\$63,750), chiefly from Hamburg (450,219 kilos) and Czecho-Slovakia (201,663 kilos).

Total exports, 24,937,367 kilos, valued at 35,337,231 francs (\$1,606,240), mostly to Germany (19,608,644 kilos), and also to France (2,628,000 kilos), Great Britain (1,707,023 kilos), and Switzerland (700,000 kilos).

Cane Sugar, Raw.—Total imports, 52,722,181 kilos, value 63,068,897 francs (\$2,866,770), mainly from Cuba (33,581,723 kilos), Dutch East India (9,994,763 kilos), and Dominican Republic (6,740,898 kilos). Imports from Holland, 454,709 kilos. Exports, nil.

White Powder or Crystals.—Total imports, 578,906 kilos, value 1,076,369 francs (\$48,930). Dutch East India supplied 198,464 kilos; Holland, 134,356 kilos; the United States, 103,731 kilos; Germany, 83,270 kilos; and France, 13,660 kilos.

Total exports, 98,292,206 kilos, value 174,170,466 francs (\$7,917,000). Great Britain took 31,150,253 kilos; Russia, 19,660,857 kilos; Switzerland, 11,635,400 kilos; France, 9,494,100 kilos; Holland, 7,880,073 kilos; Germany, 4,469,717 kilos; Portugal, 3,683,500 kilos; British India, 2,647,500 kilos; Morocco, 1,809,717 kilos; Uruguay, 672,128 kilos; Tunisia, 597,000 kilos; Turkey, 584,500 kilos; Greece, 552,600 kilos; Spain, 495,900 kilos; Argentine, 105,200 kilos.

Loaf, Lumps or Powder.—Total imports, 1,887,043 kilos, value 3,749,243 francs (\$170,420). Hamburg supplied 538,344 kilos; Czecho-Slovakia, 450,296 kilos; Germany, 436,791 kilos; France, 428,711 kilos.

Total exports, 32,651,160 kilos, value 75,578,793 francs (\$3,435,400). Mesopotamia took the greater part of these exports, 9,520,713 kilos, while Egypt took 5,151,889 kilos; Persia, 3,869,459 kilos; Morocco, 3,528,699 kilos; British India, 3,078,866 kilos; Great Britain, 1,806,912 kilos; Uruguay, 1,248,844 kilos; Argentine, 1,013,039 kilos; Belgian Congo, 542,218 kilos; Syria, 474,482 kilos; Germany, 365,638 kilos; and Norway, 182,721 kilos.

Candy Sugar.—Total imports, 21,411 kilos, valued at 44,434 francs (\$2,020), of which France supplied 19,847 kilos.

Total exports, 4,722,514 kilos, value 10,259,496 francs (\$466,350). Of these exports Great Britain accounts for 1,312,849 kilos; China, 1,275,892 kilos; France, 660,148 kilos; Norway, 507,500 kilos; Denmark, 248,664 kilos; Switzerland, 218,507 kilos; Holland, 147,207 kilos; Egypt, 128,498 kilos; and Germany, 86,545 kilos.

Brown Sugar ("vergeïses, cassonades, batardes").—Total imports, 2,316,805 kilos, valued at 3,868,761 francs (\$175,850), mainly from Canada (1,187,465 kilos). Great Britain supplied 878,105 kilos and Holland 206,279 kilos.

Total exports, 1,442,784 kilos, value 2,696,123 francs (\$122,550), of which Holland took 747,050 kilos; Great Britain, 528,760 kilos; and France, 61,110 kilos.

IMPORTS FROM CANADA

There has lately been an increase in Belgium's imports of sugar from Canada and Canadian statistics show that Canadian exports to Belgium during the seven months period beginning April and ending October 1925, were 24,158 cwt. valued at \$125,621—as against only 1,129 cwt. valued at \$10,321—for the year ending March 1925 and 11,760 cwt. valued at \$116,368, during the previous year. During the fiscal year ended March 1923, Canada exported to Belgium 113,232 cwt. of sugar, worth \$698,397.

ECONOMIC SITUATION IN BRAZIL

TRADE COMMISSIONER P. W. COOK

Brazil to-day is in a much sounder financial and economic condition than four years ago. Her credit in foreign markets has appreciated, the exchange rate of the milreis has improved by more than 40 per cent, and political calm exists in all important parts of the country. A recent loan floated by the state of Sao Paulo in London was heavily oversubscribed. For the moment, however, commercial conditions are much depressed. Following the withdrawal of a substantial percentage of currency from circulation, the exchange rate rose so rapidly that it disorganized normal commercial undertakings. The Bank of Brazil restricted rediscounts, private banking credits were reduced, borrowing became difficult and collections uncertain.

Under these circumstances many important manufacturing and trading concerns found it difficult to continue operations, with consequent unfavourable influence on subordinate interests which are largely dependent upon their activities. At present commerce and industry in Brazil find themselves faced with the immediate necessity of reorganization on a more solid foundation.

In the latter part of December, Dr. Washington Luiz, the President-elect, made his platform speech, in which he asserted his adherence to the principle of economic retrenchment laid down by his predecessor, such as the continued deflation of currency to support the exchange rate. He favours the expenditure of available funds on the improvement of transportation, including the construction of motor roads. The exchange factor is of paramount importance. A low rate favours the coffee producers, the national industries, and local trading; a high rate favours the repayment of heavy Government loans and the trade of the importer and foreign interests having invested capital in the republic. Thus the prospects for the Canadian exporter are decidedly brighter.

COMMODITY MARKETS

The flour market, particularly in the northern states, is capable of considerable development. The codfish market is steady, and will absorb as much as Canadian shippers have available for Brazil. Canned salmon, which for some years has been too high in price for popular consumption, may again be sold, but there seems little opportunity for sardines in view of heavy European competition. As regards beverages, whisky and grape juice might be more actively pushed, but soft drinks are precluded by local manufacture. Occasional opportunities might be seized for profitable shipment of Canadian potatoes. The substantial apple market is at present monopolized by United States exporters.

As regards automotive products, a marked increase has already taken place in shipments of Canadian motor vehicles, tires and accessories. There is a steady demand for barbed, galvanized, and mattress wire, as well as for tubes, pipes, and fittings. A certain amount of metal-working machinery is reaching Brazil from Canada, but largely through the agency of United States associated factories. Bolts and nuts may well be supplied in greater quantity from Canada

if prices be competitive, as may also hand tools, shelf hardware, and builders' supplies. Kitchen utensils and hollow-ware have always been far out of line in price compared with European quotations, but the improvement in exchange has reopened opportunities for domestic electrical appliances. The cement market is brisk, but European quotations are discouragingly low and, in addition, during the coming year one Brazilian company established in Sao Paulo is likely to secure a fair share of the market. The market for paper and paper products has been dealt with elsewhere (see *Commercial Intelligence Journal* No. 1142). The heavy chemical market is open to Canada, but it has rarely been found that Canadian quotations are competitive.

In general it may be said that there is a marked increase in interest in import trade among Brazilian traders and, granted stability of exchange, the acceptance of the somewhat open terms of the market, and a policy of small profits while establishing a reputation the Canadian exporter may reasonably anticipate a substantially greater measure of success in 1926 than he has experienced in the past five or six years.

COMMERCIAL CONDITIONS IN THE MIDDLE-EAST

TRADE COMMISSIONER A. B. MUDDIMAN

Singapore, December 23, 1925.—With the revival of rubber through the effect of restriction, British Malaya is now enjoying prosperity after a long period of slump. This revival has had the usual effect of causing numbers of Chinese to speculate above their means, and Canadian exporters should exercise caution in regard to direct shipments to Chinese traders. In the northern territory at the back of Penang, in the tin-mining area, business is bright.

So far as the Netherlands East Indies is concerned, there has been a temporary set-back owing to a heavy drought which has affected the tea and sugar crops, but the rainy season, which has, however, again broken, has done much to alleviate the situation. Importers there have already had very heavy losses in 1921, and are prepared to cope with such a situation, not having launched out to heavy commitments. Though doubtless the sugar and the tea industries will feel the effect of this drought, their position is so healthy that it gives no cause for anxiety. In Sumatra the native rubber growing is rendering trade in the Palembang area, in some lines brisk. In Medan the tobacco industry is as flourishing as ever, and great interest is being evinced in the prospective larger shipments of palm oil.

Siam is entering a period of strict economy in order to offset the losses recently incurred and, due to its richness, the country will soon adjust the position.

JAPANESE CANNED CRAB AND SALMON INDUSTRY

TRADE COMMISSIONER JAMES A. LANGLEY

Kobe, December 23, 1925.—This season's catch of salmon in Ohotsk and Kamchatka, including the Amur river, was exceptionally poor, due to a general failure of the run in the waters off the coast of Kamchatka, and especially on the west coast. The catch of pink was about 40 per cent of the estimate, but the fish were much larger in size than in years of a normal catch. The following is an estimate of each species caught to the end of November, 1925:—

	Koku
Pink salmon	130,000
Dog salmon	185,000
Red salmon.. . . .	60,000
Silver salmon	25,000
King salmon.. . . .	38,000

Note—One koku equals 60 fish.

ECONOMIC CONDITIONS IN CHINA

TRADE COMMISSIONER L. M. COSGRAVE

Shanghai, January 4, 1925.—At the present trading conditions in China are nearer normal than they have been for some months past; and though political conditions in North China continue in a very disturbed state, it is believed that an amicable settlement will be made shortly.

The customs tariff conference which is still sitting in Peking has been suspended for the past few weeks, but the various sub-committees who are studying the proposed custom tariff are expected to submit their findings shortly, and the feeling exists, that a measure of customs autonomy will be granted China in the near future. Strong protests are being made by various bodies of foreign manufacturers against the inclusion as luxuries of such commodities as motor cars, electrical goods, medical supplies, imported food stuffs, etc., and it is anticipated that a firm stand will be taken by the various foreign delegates before definite action is allowed to take place.

In Southern China, there is a strong movement on foot to re-establish trading conditions between Hong Kong and Canton and to end the boycott which has caused an almost complete stoppage of trade for the past three months. Official circles are hopeful that a settlement will be effected very shortly. In the meantime the bulk of trade with China is being effected through Shanghai, and numerous importing firms from such centres as Amoy, Swatow, Chefoo and Canton are establishing branch offices in Shanghai for this purpose. This is considered, however, a temporary measure, as there is no doubt that trade in China is becoming more decentralized and that more direct trade will be carried out in the future with these growing outposts.

In this connection, Canadian manufacturers interested in the China market should be extremely careful, when establishing business relations in China, to study the distribution facilities of this territory, and, wherever possible, effect separate agency agreements for North, Central and South China. At the present time numerous exclusive agencies of Canadian products are in the hands of Shanghai firms who, though aggressive and reliable, are practically confined to this comparatively small portion of China and seldom obtain orders of any size in the more distant districts. This office will be glad at any time to advise Canadian manufacturers regarding the geographical distribution of agencies in China, particularly for certain commodities which may be in favour in one part of this large territory and not required in another.

For all practical purposes, however, China may be divided into distribution centres as follows:—

Hong Kong.—For Canton and the provinces based on the West River as far inland as Szechuan.

Amoy.—For the Northern part of South China, embracing a prosperous section bordering on the Pacific, but dependant on water borne traffic due to lack of lateral railway facilities.

Shanghai.—For Central China, which includes all the provinces bordering on the Yangtze River. It is the supplying centre for such important Chinese cities as Soochow, Nanking, Hankow, Ichang, and Chungking. Shanghai is also, by virtue of its shipping importance the base for all selling operations in China and in the event of the establishment of sub-agencies, the head office is usually Shanghai.

Tientsin.—For North China, which includes such centres as Tsingtao, Tsinanfu, Chefoo, Peking, Dairen, Harbin and Mukden.

The order of importance from a trade standpoint of the above centres is: Shanghai, Tientsin, Hankow, and Hong Kong, but for any commodity for which there is a general demand in all classes of the country, it is advisable to arrange at least three separate agencies, viz: North, Central and South China.

CUSTOMS REVENUE 1925

The preliminary figures of the Chinese Maritime Customs revenue for 1925, totals of which have just been issued from Peking, discloses the interesting fact that, in spite of the almost complete stoppage of trade during various months of the year, in such ports as Shanghai, Hong Kong, Swatow, and the Yangtze river ports, the total collections show an increase of taels 270,000 as compared with 1924.

The total revenue collected on imports and exports amounts to Haekwan taels 69,850,000.* The principal increase in revenue is in Tientsin and Ching-wangtao, amounting in these two outports to the Haekwan taels, 1,536,000. The principal decrease is in Shanghai which, of course, suffered the bulk of the 1925 disturbances, and amounting to Haekwan taels 1,524,000. The total collection in Shanghai for 1925 was Haekwan taels 26,023,000, which represents an import and export trade for the year of approximately Haekwan taels 520,000,000.

It is also encouraging to note the recent statement of the Maritime Customs authorities that all the foreign loans and indemnity obligations secured by Customs revenue, including the service re-organization loan, have been met or covered in full, which is also true of all domestic loans. It is to be noted, however, that the redemption payments of the consolidated debt are one year in arrear of the schedule.

The figures given above serve to indicate the extraordinary capacity of China to carry on and increase her trade despite almost insuperable difficulties, as it must be remembered that during 1925, practically every part of the country was seriously disturbed at one time or another, and that the main outports suffered severely from both shipping strikes and riots for nearly 30 per cent of the year.

PAPER REQUIREMENTS IN CHINA

TRADE COMMISSIONER L. M. COSGRAVE

Shanghai, January 14, 1926.—This office has recently investigated the paper market in China with a view to ascertaining the various types of paper in chief demand by the larger importers in China, and it is felt that Canadian paper mills will be interested in the following specifications and approximate market prices at present ruling in Shanghai.

The consensus of opinion amongst leading importers is that the main demand and most consistent business is done in the following classes of paper:—

M.G. China Cap (white)—Size 25 inches by 44 inches; weight 16½ pounds per ream of 500 sheets, packed in bales of 15 reams

Newsprint paper—31 inches by 43 inches. Weight 37 pounds per ream of 500 sheets, packed in bales of 15 reams.

Woodfree printing (white)—43 inches by 31 inches, 42 pounds and up; 27 inches by 40 inches, 34 pounds and up.

Akt paper—31 inches by 43 inches, 19-150 pounds.

Bond paper—22 inches by 18 inches, single, 13 and 16 pounds; 22 inches by 36 inches, double, 26 and 32 pounds; 23 inches by 17 inches, single, 13 and 16 pounds; 23 inches by 34 inches, double, 26 and 32 pounds.

Foolscap paper—26½ inches by 16½ inches, single, 21 to 38 pounds; 26½ inches by 33 inches, double, 42 to 76 pounds.

Bank paper—22 inches by 28 inches, 40 pounds.

Cardboard—22½ inches by 28½ inches, 95 to 125 pounds; 20 inches by 30 inches, 95 to 125 pounds.

* One Haekwan Tael equals 80 cents, Canadian currency.

M.G. CHINA CAP (WHITE)

The largest business here is done in this type of paper, though the margin of profit to the importer appears to be extremely low, varying from 1 to 2 per cent, and is absolutely essential that shipments are according to sample. Sweden supplies an excellent grade in this classification, and undoubtedly has a strong hold throughout the whole of the Far East.

The size given above is the standard in use in this market, and Chinese dealers are extremely particular in regard to the weight. The writer is advised in this connection that it is the universal practice to give these dealers the benefit of any discrepancies in weight, and it is therefore to the advantage of shippers to adhere very strictly to the specified weight ordered.

M.G. China Cap is shipped in reams of 500 sheets packed in strong bales of 15 reams per bale, each ream being completely wrapped in strong wrapping paper with no sides showing as is the case in Canadian domestic shipments.

Recent prices received for this class of paper by European shippers was £25 5s. per tons of 2,240 pounds c.i.f. Shanghai. Business in this territory is usually done on firm offer basis by cable, such firm offers to be in force for at least forty-eight hours. Shipments between importers and their suppliers abroad invariably call for a code word to indicate the respective quality, the price mentioned always understood to be per long ton of 2,240 pounds, and such prices to be c.i.f. Shanghai. The time of shipment is also guaranteed by the mill except in case of *force majeure*, when a legalized certificate for the reason of such *force majeure* must be supplied.

NEWSPRINT PAPER

A voluminous business is done throughout China in this class of paper, chiefly originating in Scandinavia, but with a growing market from the United States. The large Chinese dealers will not consider a heavier weight than the above-mentioned, and as the imports to this country of this class of paper are growing year by year, it is considered by the writer that Canadian mills should give this matter their serious consideration, in view of the immense potentialities of the China market. The ruling price at present in Shanghai for this class of newsprint is approximately £21 per ton of 2,240 pounds c.i.f. Shanghai, packed in a similar manner to China Cup.

WOODFREE PRINTING (WHITE)

There is a steadily growing market for this class of paper, of which Canadian mills should undoubtedly be able to secure a portion. The writer will be glad to receive samples and quotation sheets containing full particulars in this line, particularly for woodfree printing, in the sizes mentioned above.

LEATHER BOARD, BROWN AND GREY

This product is widely used in the China outports and usually imported in the following sizes:—

(1) 33 inches by 45 inches.—The fibres must run lengthwise in 60 per cent of the sheets. The usual method of packing is 45 sheets to a bundle and 10 bundles to a bale.

(2) 28 inches by 45 inches.—All sheets should show fibres running lengthwise. The packing is in bales of 10 bundles of 51 sheets to a bundle.

(3) 23 inches by 38 inches.—The same conditions apply as in No. 2 with the exception that a bundle should consist of 60 sheets.

The prices from European sources prevailing within the last month in this territory is approximately £18 per ton of 2,240 pounds c.i.f. Shanghai.

UNGLAZED PURE KRAFT PAPER

This class of paper is becoming more popular every year, and is one in which Canada should have a direct interest. The standard size is 36 inches by 48 inches, 47 pounds per ream of 500 sheets, packed in a similar manner to the foregoing papers, and at present is bringing a price of approximately £23 10s. per ton of 2,240 pounds c.i.f. Shanghai.

PACKING

It is important for Canadian mills to supply on their quotation sheets an indication of the number of sheets per long ton, as the above weights and packing methods have been designed to meet the transportation requirements of this country, which is almost entirely by hand and is based on the one, two or four coolie load, both for weight and size.

It may be pointed out, when commencing relations with large importers on this side, the necessity of sufficient sample material, as it is usually the custom of the big indent houses to submit such samples to anywhere from 50 to 100 prospective buyers, each of whom will represent an unknown number of small dealers throughout China.

INVOICING SHIPMENTS

It is important for Canadian mills to pay close attention to the method of invoicing all paper to this country, particularly with regard to weight.

If the weight ordered for instance is 16½ pounds per ream the mill is allowed to invoice only this weight. Should the mill, however, deliver a slightly heavier paper the payment is made only for the exact weight ordered. This applies also in the case of a lighter weight arriving heavier than ordered.

The Chinese buyers have been accustomed to this method for many years, and will never agree to any alteration in original quotation and packing specifications, and as Scandinavia and the European suppliers pay very close attention to their documentation, it is imperative that Canadian mills should measure up to the same high standard.

REGULATIONS FOR TRAVELLERS ENTERING REPUBLIC OF COLOMBIA

In order that the difficulties, of Canadians intending to visit the Republic of Colombia, may be lessened, their attention is drawn to the following requirements:—

That upon presentation of their passport to the Colombian Consul, duly filled in by the proper Canadian authorities, a declaration must be made out and signed in the presence of the Consul before the necessary visé is procurable.

Each prospective traveller is entitled to import, free of duty, baggage up to 150 kilograms in weight. This baggage however must be for the personal use of the traveller. Any goods included in the baggage which are not for personal use must be covered by the necessary documents and papers such as consular invoices, etc., as prescribed by the Colombian laws.

TRADE COMMISSIONER E. L. McCOLL'S INTENDED VISIT TO PERU

Mr. E. L. McColl, Canadian Trade Commissioner, Buenos Aires, is expected to arrive in Lima, Peru, on March 1, 1926, on a special trade mission to that country. His journey is being undertaken for the purpose of investigating the possibilities for increasing Canadian-Peruvian trade. Canadian exporters who are desirous of initiating trade with Peru, extending present trade relations, or obtaining special information on this market should address Mr. McColl in care of the British Legation, Lima, Peru, forwarding full particulars, including best prices, c.i.f. Lima if possible, terms, time required to fill and ship orders, amounts available for export, etc. In addition latest catalogues should be forwarded.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Fifty Per Cent Preference Conditions in New Zealand

Exporters are reminded of the revised regulations for the application of the British preferential tariff in New Zealand which are to be applicable to goods entering that Dominion on and after April 1, 1926. Taking into account the time required for goods to reach New Zealand after their departure from Canada, it will be seen that exporting firms should begin soon to observe the new requirements. The principal feature of the new regulations is an increase from 25 per cent to 50 per cent of the proportion of British value (as defined for customs purposes) required in goods partly manufactured from material of non-British origin before such goods may be entered under the British preferential tariff. The standardized Imperial Customs Conference forms may be used up to September 30, providing that, when required, they are altered in regard to the 50 per cent qualification. These are the forms set forth in F.T.D. leaflet No. 32, issued by the Department of Trade and Commerce, Ottawa. Canadian exporting firms are invited to write the Department of Trade and Commerce, Ottawa, for copies of F.T.D. Leaflet No. 52, setting forth details of the revised New Zealand preference conditions.

Labelling of Foodstuffs in New Zealand

Auckland, January 18, 1926.—In *Commercial Intelligence Journal* No. 1090, dated December 20, 1924, a report was published relative to the regulations in New Zealand under the Sale of Food and Drugs Act, governing the labelling of foodstuffs. The following amendments have now been made.

PRESERVATIVES

On the label attached to every package containing any preservative substance, sold for the purpose of being added or applied to any food there shall appear the following statement:—

"This preservative contains (here insert the chemical name or names of the preservative substance or substances contained in the preparation)."

FLAVOURING AND COLOURING

On the label attached to every package containing any substance sold for the purpose of artificially colouring or flavouring food, shall be written the following words:—

"Artificial (or alternatively imitation) food colouring."

"Artificial (or alternatively imitation) food flavouring."

"Artificial (or alternatively imitation) food colouring and flavouring."

SWEETENING SUBSTANCES

There shall be written on the label attached to every package containing any food mixed with an artificial sweetening substance the following statement:—

"Contains (here insert chemical name of sweetening substance)."

Tariff Status of Agricultural Implements Entering Norway

Provision is made in the Norwegian tariff (note to item 424) for duty-free entry of machines and apparatus when there is satisfactory proof given that the articles are not manufactured in Norway. According to advice just received from the office of the British Commercial Secretary at Oslo, the following agricultural machinery, by virtue of a circular of June 26, 1924, is permitted, until further notice, to enter Norway free of duty: hay makers, self binders and parts thereof, mowing machines and parts thereof (including knives), tractors, wind motors.

It is added that, in view of the fact that certain other agricultural machinery is not made in the country, such machinery may be permitted to enter Norway free of duty under the same provision upon application to the Royal Ministry of Finance and Customs. The articles in this category are: manure distributors, potato diggers, wheel hoes (wheel cultivators), seeders, root cutting machines, steel threshers, tractor harrows, tractor ploughs.

All other agricultural machinery is subject to a duty of 10 per cent ad valorem, without additions.

TENDERS INVITED

Australia

VICTORIAN GOVERNMENT'S ELECTRICAL SCHEME

C. HARTLETT, OFFICE OF THE TRADE COMMISSIONER

Melbourne, January 12, 1926. In sequence to the numerous reports from this office, which have appeared in previous numbers of the *Commercial Intelligence Journal*, relative to the large quantities of electrical equipment required by the Victorian Government in its scheme for utilizing the brown coal deposits at Morwell for electrical power, Canadian manufacturers are now advised that further tenders are being invited for the manufacture, testing, supply, delivery in every way complete and maintenance of synchronous condensers and accessory plant.

Particulars of the requirements are briefly outlined thus:—

Specification No. 26/3.—Two Synchronous Condensers and Accessory Plant as specified.

Date of Closing of Tenders.—Tenders—on the prescribed form—should be addressed as first class mail matter to the Secretary of the State Electricity Commission of Victoria, 22-32 William Street, Melbourne, Australia, in time to reach their destination on or before May 24, 1926.

CHARGES FOR SPECIFICATIONS

The specification covering the requirements, and appended contract forms may be inspected at, and copies obtained from, the Department of Trade and Commerce, Ottawa (refer to file No. 26502).

The Electricity Commission makes a charge of £1 1s. (\$5.11) for a set of three copies of the specification, and for each additional copy a charge of 5s. (\$1.22). The first fee is returnable upon receipt of a bona fide tender, but that for extra copies is not.

DEPOSITS ON TENDERS PAYABLE IN CANADA

As in the case of previous specifications, to facilitate the interests of Canadian tenderers, the Electricity Commission has arranged with the Department of Trade and Commerce, Ottawa, that the amount of the preliminary deposit required to be deposited with each tender can be made in Canada. The deposits are to be placed with the accountant of the Department of Trade and Commerce, Ottawa, and his official receipt only need be forwarded with the tender to Melbourne. The sum required to be so deposited in this instance is £100 (\$486.65). The elimination of the more circuitous methods of deposits being sent to Australia, and possibly being returned to Canada, makes the payment in Canada a convenience alike to the Commission and the tenderers.

VICTORIAN GOVERNMENT RAILWAYS

Copies of tender forms, specifications and drawings have been received from Trade Commissioner D. H. Ross, Melbourne, for material required by the Victorian Government Railway Department, Melbourne.

The tender forms and specifications are open to the inspection of interested Canadian manufacturers at the Department of Trade and Commerce, Ottawa (refer to file No. 29,077).

Tenders in conformity to the specification should be promptly addressed to the Secretary, Victorian Government Railways, Melbourne, Australia.

Particulars of the requirements are briefly outlined thus:—

No.	Date of Closing	Particulars
39282	April 21, 1926	Supply and delivery of 8 electric overhead travelling cranes, complete with all necessary equipment, to drawings and as specified.
No.	Date of Closing	Particulars
39285	April 21, 1926	Supply and delivery of one plate bending rolls and electrical equipment, as specified.

NEW OFFICE PREMISES IN SHANGHAI

During the month of March the office of the Canadian Trade Commissioner in China will be moved from its present location in the Laidlaw Building, Szechuen and Nanking Roads, Shanghai, to the North China Daily News Building, 17 The Bund, Shanghai. The address for mail will remain as before, P.O. Box 300.

A WARNING TO CANADIAN FIRMS SHIPPING HAY TO GLASGOW

TRADE COMMISSIONER G. B. JOHNSON

Glasgow, January 29, 1925.—During recent weeks there have been unusually heavy shipments of Canadian hay to the Glasgow market, some on consignment, which leads importers and wholesalers in Glasgow to believe that Canadian hay shippers have an exaggerated idea of the consuming capacity of this market for hay from the Dominion. At an outside estimate Glasgow can absorb an average monthly quantity of about 500 long tons (2,240 pounds).

The market is of course affected by the size and quality of the last crop in Scotland, although whatever may be the yield and grade of the Scottish crop, the superior quality and excellent flavour of the best Canadian timothy create a steady demand for it in a normal market of about \$1.80 a ton more than can be obtained for the best Scotch hay. Every hay buyer in the Glasgow area is aware when shipments have arrived at the Glasgow quays, and knows how much there is available, and consequently the importer is compelled to sell at gradually receding prices if the quantity is greater than can be readily absorbed.

As showing the necessity for being careful about shipments in excess of the requirements of a limited market, it may be useful to state that one vessel arrived at Glasgow last week with 330 tons of Canadian hay. This is altogether too much for the market to absorb at one time, particularly as it followed a steamer of the week before containing 140 or 150 tons, and it does not pay to store hay here. Insurance and other charges are heavy. For instance, Clyde dues, landing charges and the cost of watching amount to \$1.78 per ton. The price of Canadian hay is now from \$26.78 to \$28 a long ton. Paying these prices and selling in small quantities, the importer will obtain about \$31.64 per ton, and in large quantities considerably less, but this is when the market is normal and the quality is of the best.

With respect to the quality of Canadian hay it may be said that when this is inferior to the usual standard received at Glasgow, as it sometimes is, the price is reduced very much out of proportion to the falling off in quality. This is owing to the fact that a slight reduction causes the Canadian to merge with the best quality of Scottish hay, of which there is an abundance.

The large importers here buy from Canada in considerable quantities and sell to the wholesale merchants. Sometimes Canadian shippers endeavour to sell

to the customers of the importers, direct, or even to the consumers. There is no hard and fast line between the importers and wholesalers. But speaking generally, it is a mistake for Canadian firms to try to sell to more than one class of buyer. They should endeavour to limit their sales in each case to one large firm of importers. As a rule the merchants and consumers prefer to buy on the spot, although if the quantities are sufficiently large they may prefer to import themselves at their own risk.

On the East Coast of Scotland, Norway is an important competitor for hay business. The supply from this source is a high-grade clover hay and is quite popular. In Glasgow Canadian hay with clover in it is not welcome. The greatest demand is for a clean, strong timothy.

MARKET FOR GRAPHITE IN FRANCE

TRADE COMMISSIONER HERCULE BARRÉ

Paris, January 20, 1925.—A considerable quantity of graphite is used in French industries, the greatest proportion of which is imported. Madagascar has been the chief source of supply, but recently, due to the fact that Germany has been buying considerable quantities from this island and that production cannot be increased owing to labour difficulties, France has been forced to seek her supplies from other sources.

It would appear, therefore, that Canadian firms exporting graphite have an excellent opportunity to supply part of the French requirements. The chief difficulty of entering this trade is the question of price. Owing to the depreciation of the French franc, Canadian firms will find it necessary to make extremely close quotations, which should be c.i.f. Havre.

The ruling prices for graphites at Marseilles are as follows: graphite (flakes) 85 per cent carbon, 3,500 francs per metric ton (2,200 pounds); graphite (powder) 95 per cent carbon, 4,500 francs per metric ton.

The following table shows the quantities and values of graphite and plumbago imported into France for the first eleven months of 1923-24-25:—

Years	Kilos	Values in Francs
1923	730,000	4,676,000
1924	990,900	5,760,000
1925	1,201,200	14,582,000

By referring to the Commercial Intelligence Service, Department of Trade and Commerce, a list of the principal French importers of graphite will be supplied to any Canadian firm wishing to enter this trade.

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

122. FOODSTUFFS.—Canadian exporters of grocery lines, including maple sugar, macaroni, canned goods (meats, fish—salmon and lobsters—vegetables, fruit, maple syrup, etc.), are requested to communicate with a London organization with a view to representation on a commission basis.

123. ROLLED OATS.—An Amsterdam firm would be pleased to hear from Canadian concerns who are in a position to export rolled oats in bulk.

124. FLOUR.—A firm in Prague, Czecho-Slovakia, desire the representation of a first-class Canadian flour-milling concern.

125. FLOUR, CONDENSED MILK, TINNED FISH, MEAT AND FRUITS.—A Scotsman resident in Athens desires to represent Canadian exporters on a commission basis.

126. FLOUR, BACON, APPLES, ETC.—A firm in Oslo, Norway, seek the representation of Canadian producers and shippers of flour, bacon, apples and other fruits. The firm desire an agency but is prepared to pay cash against documents.

127. BACON.—A Bristol brokerage house desires West of England agency for a Canadian firm exporting bacon to the United Kingdom. If represented in London, they are prepared to accept provincial sub-agency and push any Canadian brand in the West of England and South Wales.

128. SEMI-SOLID BUTTERMILK.—An established firm of stock food importers wish to secure connections with Canadian firms on a buying basis. Quotations must be c.i.f. Liverpool, per 112 pounds.

Miscellaneous

129. TIMBER.—A New Zealand firm of importers would like to hear from Canadian firms desiring representation in New Zealand for the sale of timber (including Douglas fir, cedar, hemlock, spruce, maple, etc.). Quotations are required c.i.f.

130. WOOD SKEWERS AND CUTTING BLOCKS.—A London firm who handle butchers' supplies of all kinds would be pleased to receive offers from Canadian manufacturers of butchers' wood skewers and cutting blocks.

131. BOXBOARD.—An Edinburgh firm manufacturing folding boxes would be very glad to consider any samples from Canada of white-lined duplex and triplex, also white and coloured enamelled boards.

132. BROOM HANDLES.—An established Liverpool hardware dealer desires Canadian offers on medium quality 48-inch by 1-inch broom handles. Is at present securing supplies from the Continent of a quality not high but meeting requirements at around 17s. to 18s. per gross c.i.f. Liverpool.

133. WOOD-PULP.—A Glasgow firm, who supply principally esparto grass to the paper makers in Scotland and Ireland, would be glad to consider an agency for Canadian pulp in this market.

134. WOOD-PULP.—A Glasgow firm, who supply chemicals, etc., to the paper-making trade, are open to represent in Great Britain a Canadian mill manufacturing easy-bleaching sulphite pulp.

135. WALLPAPER.—A firm of importers in Wellington, New Zealand, desire to secure the agency for wallpaper in that country. Quotations are required c.i.f.

136. BUILDING MATERIALS.—A firm of importers in New Zealand wish to hear from Canadian exporters of building materials. Quotations c.i.f. are required.

137. MOTOR BODY MATERIALS.—A New Zealand firm of importers desire to secure the agency of Canadian firms exporting motor body building materials (sheets of iron, steel, etc.). Quotations are required to be c.i.f.

138. ARMoured CONDUCTORS (ELECTRIC).—A wholesale merchant house in the West of England are prepared to consider samples and prices of armoured conductor for electric wiring. Quotation required on an initial quantity of 10,000 yards size 1.004 c.i.f. Bristol in sterling, if possible.

139. LEATHER.—Canadian exporters of leather are requested to communicate with an Athens firm with a view to representation on a commission basis.

140. UPHOLSTERING LEATHER.—A firm of importers in New Zealand desire to hear from Canadian firms in a position to export coloured leathers for upholstering motor cars. Quotations are required to be c.i.f.

141. HOG HAIR.—A first-class Glasgow firm of importers of fibre of different kinds for the upholstery industry, which is largely centered in Glasgow, would like to find a good firm of Canadian shippers of hog hair, free from odour, thoroughly processed and packed in bales of about 4 cwt.

142. HAIR.—An excellent Glasgow firm who supply the upholstery trade will be glad to get in touch with Canadian firms who are able to supply cow tail hair and hair of horses' manes and tails, washed.

143. MICA.—A concern in Breda, Holland, who buy for own account, would like to receive quotations on raw mica from Canadian firms in a position to export.

144. OXIDE OF IRON.—A Glasgow firm who handle ores desire to form a connection with a Canadian firm prepared to ship oxide of iron to this market.

145. WHITE ARSENIC.—A London firm of import and export brokers inquire for the addresses of actual Canadian producers of white arsenic, 99 to 100 per cent.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING FEBRUARY 15, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending February 15, 1926. Those for the week ending February 8, 1926, are also given for the sake of comparison.

	Parity	Week Ending	
		February 8, 1926	February 15, 1926
Britain	1.00	\$4.86	\$4.8643
Czecho-Slovakia	1.	.203	.0296
France	1.	.193	.0370
Italy	1.	.193	.0403
Holland	1.	.402	.4010
Belgium	1.	.193	.0455
Spain	1.	.193	.1408
Portugal	1.	1.08	.0515
Switzerland	1.	.193	.1927
Germany.. . . .	1.	.238	.2382
Greece	1.	.193	.0154
Norway.. . . .	1.	.268	.2031
Sweden.. . . .	1.	.268	.2679
Denmark	1.	.268	.2460
Japan	1.	.498	.4493
India	1.	2s.	.3705
United States	1.	\$1.00	1.0037
Mexico.. . . .	1.	.498	.4865
Argentina	1.	.424	.4112
Brazil	1.	.324	.1480
Roumania	1.	.193	.....
Jamaica	1.	4.86	4.8850
British Guiana	1.	1.	.....
Barbados.. . . .	1.	1.	.....
Trinidad	1.	1.	.....
Dominica	1.	1.	.....
St. Kitts	1.	1.	1.0062—1.0187
Grenada.. . . .	1.	1.	1.0062—1.0187
St. Vincent.. . . .	1.	1.	.....
Tobago	1.	1.	.....
Shanghai, China.. . . .	1.	.708	.7550
Batavia, Java	1.	.402	.4037
Peru.. . . .	1.	4.86	3.8400
Singapore, Straits Settlements .. \$	1.	.567	.5862

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Halifax

To PLYMOUTH, CHERBOURG AND LONDON.—Ausonia, Cunard Line, March 22.
 To HULL.—Wheatmore, Feb. 23; Ariano, March 8—both Furness, Withy.
 To LIVERPOOL.—Sachem, Feb. 23; Newfoundland, March 16—both Furness, Withy;
 Canada, White Star-Dominion Line, March 7.
 To COB (QUEENSTOWN).—Carmania, Cunard Line, March 15.
 To MANCHESTER.—Manchester Brigade, Feb. 22; Manchester Commerce, March 1;
 Manchester Regiment, March 8—all Furness, Withy.
 To LONDON.—Wheatmore, Feb. 23; Ariano, March 8—both Furness, Withy.
 To St. JOHN'S, Nfld.—Sachem, Feb. 23; Newfoundland, March 8—both Furness,
 Withy; Skipper, March 5, March 19; Sable I, Feb. 26, March 12—both Farquhar SS.
 To BERMUDA, ST. KITTS, ANTIGUA, MONTSEERRAT, DOMINICA, ST. LUCIA, BARBADOS, ST.
 VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Chaleur, Feb. 26; Chignecto, March 12—both
 R.M.S.P. Co.
 To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Fisher, C.G.M.M.,
 Feb. 27.

To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD, DEMERARA AND GUADELOUPE.—Canadian Carrier, March 5; Canadian Runner, March 19—both C.G.M.M.
 To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, Feb. 24.
 To SANTIAGO, KINGSTON AND MONTEGO.—Andalusia, Pickford & Black, March 10.
 To AUSTRALIAN PORTS.—Canadian Constructor, C.G.M.M., Feb. 27.
 To NEW ZEALAND PORTS.—Canadian Miller, C.G.M.M., Feb. 25.

From St. John

To LONDON.—Bothwell, Feb. 27; Bosworth, March 13—both Canadian Pacific; Canadian Aviator, March 3; Canadian Trapper, March 17—both C.G.M.M.; Verentia, Cunard Line, March 13.
 To CARDIFF AND SWANSEA.—Canadian Leader, Feb. 24; Canadian Commander, March 10—both C.G.M.M.
 To BELFAST AND DUBLIN.—Lord Londonderry, Head Line, Feb. 25.
 To LIVERPOOL.—Montrose, Feb. 26; Metagama, March 5; Montcalm, March 12; Montclare, March 19—all Canadian Pacific.
 To SOUTHAMPTON.—Marloch, Canadian Pacific, March 18.
 To MANCHESTER.—Manchester Regiment, March 6; Manchester Producer, March 20—both Manchester Liners.
 To GLASGOW.—Carmia, Feb. 23; Morevia, March 5; Gracia, March 23—all Anchor-Donaldson; Brandon, March 2; Bolingbroke, March 16—both Canadian Pacific.
 To ANTWERP.—Canadian Aviator, March 3; Canadian Trapper, March 17—both C.G.M.M.; Marloch, Canadian Pacific, March 18.
 To HAVRE.—Essex County, Intercontinental Transports, Ltd., Feb. 28.
 To ROTTERDAM.—Essex County, Intercontinental Transports, Ltd., Feb. 28; Lord Downshire, Head Line, Feb. 28.
 To HAMBURG.—Batsford, Feb. 24; Balfour, March 20—both Canadian Pacific; Brant County, Intercontinental Transports, Ltd., Feb. 28.
 To COPENHAGEN AND BALTIC PORTS.—Main, Scandinavian-American Line, March 3.
 To CUBA.—A steamer, H. E. Kane & Co., March 10; Emperor of Port McNicoll, Robert Reford & Co., Feb. 27.
 To ST. KITTS, ANTIGUA, MONTSERRAT, DOMINICA, ST. LUCIA, ST. VINCENT, AND GRENADA.—Chignecto, Feb. 28; Teviot, March 14—both R.M.S.P. Co.

From Vancouver

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Russia, Canadian Pacific, March 6.
 To YOKOHAMA, KOBE, SHANGHAI AND NAGASAKI.—Arabia Maru, Osaka Shosen Kaisha, March 16.
 To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Paris Maru, Osaka Shosen Kaisha, March 2.
 To YOKOHAMA, KOBE AND HONG KONG.—Philoctetes, Blue Funnel, March 11.
 To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Aorangi, Canadian-Australasian Line, March 10.
 To WEST COAST UNITED KINGDOM PORTS.—Canadian Skirmisher, C.G.M.M., Feb. 25.
 To LONDON.—Canadian Winner, C.G.M.M., March 10.
 To MANCHESTER.—Pacific Commerce, March 5; London Importer, March 11—both Furness Line.
 To BORDEAUX, HAVRE AND ANTWERP.—Nevada, Cie. Gle. Transatlantique (French Line), March 9.
 To ANTWERP.—Glamorganshire, North Pacific Coast Line, late February; Canadian Winner, C.G.M.M., March 10.
 To HAMBURG.—Glamorganshire, North Pacific Coast Line, late February.
 To ROTTERDAM.—Glamorganshire, North Pacific Coast Line, late February; Justin, Holland-American Line, Feb. 24.
 To HAVRE.—Glamorganshire, North Pacific Coast Line, late February.
 To GENOA, LEGHORN, NAPLES AND TRIESTE.—Piave II, Navigazione Libera Triestina, March 15.
 To WEST INDIES AND EAST COAST OF SOUTH AMERICA.—West Notus, Pacific-Argentine-Brazil Line, early March.
 To WEST INDIES AND CARIBBEAN PORTS.—Georgia, Cie. Gle. Transatlantique (French Line), Feb. 28.
 To BAHIA BLANCA, MONTEVIDEO AND BUENOS AIRES.—Leikanger, East Coast South America Service, late February.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

H. R. Poussette. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

James Cormack. Address for letters—P.O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300. Office—North China Daily News Building, 17 The Bund, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancoma.*

Germany

L. D. Wilgress, Gutrufhaus, Neuerwall 10, Hamburg. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czechoslovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watermill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230; office, Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

Netherlands East Indies

R. S. O'Meara, P. O. Box 84, Batavia, Java. (Territory covers Straits Settlements, British Borneo, Netherlands East Indies, and Siam.) *Cable Address, Canadian.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P. O. Box 683; Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia). *Cable Address, Sleighing, London.*

J. Forsyth Smith, Century Bldgs., 31 North John street, Liverpool. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales). *Cable Address, Cantracom.*

Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands). *Cable Address, Canadian.*

Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, February 27, 1926

No. 1152

TABLE OF CONTENTS

	Page		Page
Suggestions to Canadian Firms Exporting to United States	265	Economic Conditions in Scotland and Northern Ireland—Part II	279
The Markets of Sumatra—Part I	265	External Trade of South Africa during 1924 —Part XII	282
Empire Shopping Week in United Kingdom	269	Economic Conditions in Jamaica	287
Exports from Canada to the United States of Principal Commodities produced on Canadian Farms, or manufactured directly from such Farm Products, during the Month and Four Months ended January 1921, 1922, 1925 and 1926; with United States Tariff Rates in Force	270	Economic Conditions in Belgium	287
Mercantile Shipping of the World in 1925	272	Cuban Market for Patent Medicines	289
Market for Evaporated Apples in the North of England	274	Japan's Foreign Trade in 1925	289
Trade Commissioner E. L. McColl's intended Visit to Peru	274	Sample Fair at Milan, Italy	290
Commercial Conditions in the North of England	275	Registration of Trade Marks in China	290
Trade Conditions in West of England and South Wales	278	Tenders for Steamship Service between Canada and British West Indies	290
		Dutch Market for Sitka Spruce	291
		Foreign Exchange Quotations for the Week ending February 22, 1926	292
		Trade Inquiries for Canadian Products	293
		Proposed Sailings from Canadian Ports	294
		Commercial Intelligence Service	296

SUGGESTIONS TO CANADIAN FIRMS IMPORTING TO UNITED STATES

(1) When representatives of Canadian firms are being sent to New York, the Canadian Trade Commissioner to the United States, at 44 Whitehall street, New York city, should be notified in advance, so that on their arrival, possible inquiries for their goods may be brought to their attention.

(2) Canadian firms who have appointed representatives in the United States, and especially in New York, should advise the Trade Commissioner to this effect so that he may render the greatest possible assistance to their interests.

(3) It is strongly urged that Canadian firms send at once, at least three copies of their catalogues to the Trade Commissioner, as he is in a position to distribute them to United States importers and the numerous commission houses that have offices in New York.

THE MARKETS OF SUMATRA

I

TRADE COMMISSIONER A. B. MUDDIMAN

Singapore, January 16, 1926.—After Java, the most developed island of the Netherlands East Indies from a commercial standpoint, is Sumatra. Although only separated from Java by the Straits of Sunda, Sumatra has distinct problems from those of Java not only ethnographical and commercial, but in many other ways. Due to these very facts the trade of Sumatra has

peculiar wants of its own. If a line of goods is successful in Java, that is in itself no reason why the same line will be successful in Sumatra. It may be that both islands demand the same things in piece goods and cigarettes, for example, but it does not follow that this will be so in other lines. Indeed, the writer during his investigations in Sumatra was strongly impressed by the local demands.

AREA, POPULATION, ETC.

It is said that Sumatra, which is a far larger island than Java, has an area with its subsidiary islands, of 180,380 square miles, or 167,480 square miles for the island itself. It is thus about equal to the area of California, or thirteen times the size of its motherland Holland.

On the other hand while Java supports a teeming population of approximately thirty-five million, Sumatra lacks population. Thus, the development of the island is retarded by want of labour which has to be imported from China and Java. The estimated population of the whole of this vast island, with its subsidiary islands is said to be only about six million. On the east coast in particular coolies have to be imported while Chinese labourers are also found in great numbers in the tin mines of Banka and Billiton and in the gold and coal mines of Sumatra.

The currency and weights are the same as in Java.

COMMERCIAL DIVISIONS

Sumatra has as yet few railway facilities. The distribution of goods is, therefore, rigidly limited to those ports that serve the portions of the hinterland that are adjacent to them. The island thus automatically falls into a number of commercial divisions. The broadest of these is the East Coast, which is entirely distinct from the West Coast. This is caused by the Bukit Barisan or Barisan Range a natural barrier which runs like a backbone through the island and comes close to the West Coast which thus has short rivers and isolated spaces. On the East Coast, the rivers run slowly through lowlands and generally end in a coastline of mangrove swamps.

Remembering, therefore, that commercially, the East Coast of Sumatra is distinct from the West Coast, the next important aspect is the distribution service the various ports on each coast are able to give so far as the interior is concerned. In Commercial Intelligence Journal No. 1013 of June 30, 1923, page 1072-75, these marketing areas were discussed in general and few additional details applicable to Sumatra are now added.

The East Coast has two main ports from the point of view of general import trade, Medan feeding the northern section and Palembang the southern. The West Coast has one main port in the centre, Padang, and to the north and south of it are the smaller ports of Sibolga and Benkoelen respectively.

According to the latest available figures the population of Medan is 25,248 of whom 3,128 are European while Palembang has a total of 73,728 of whom only 998 are Europeans. On the West Coast there are 38,169 people in Padang including 1,979 Europeans with 5,822 in Sibolga and 9,602 in Benkoelen including 189 and 215 Europeans respectively.

It is possible that the European population in certain areas of the East Coast has increased, and on the West Coast decreased slightly, since these figures were prepared, but it does not change the relative value of the places. Each of these towns serve their own hinterlands. Padang has probably the largest native population to serve in the Padang Highlands, together with the European hill resort of Fort de Kock. It is the port of entrance for such imports as are required by a population of roughly one and a quarter million. The natives of its area are the Menang-kabau, who are sharp business men

with little use for many varieties of European goods, such as are absorbed by Chinese populations in other areas. It should be remembered that the keenest purchaser of western goods, once he has the funds, is the Chinaman. The economic position of the Menang-kabau is much above the other natives of Sumatra and whenever they desire goods of western make they are well able to purchase them. In those lines they use they are good consumers.

Medan, on the other hand, serves the most Europeanized area, with many plantations of tobacco, rubber and palm oil. Its demand are thus of more interest to Canadian exporters than any other city in the island. About a million inhabitants including Chinese and natives secure their supplies of foreign goods through the Medan import firms which have branches stretching up to Kotaradja.

As it is very essential for those firms shipping to Sumatra to possess a clear understanding of the centres alluded to above, the following notes are offered, and it is recommended that any firm shipping goods there should peruse them carefully. It is essential also to comprehend that a million inhabitants in the East does not mean a million consumers of the products of western factories.

MEDAN

Medan is the capital of Sumatra's East Coast and a very prosperous modern city. It is said to be the most European city in the whole of the Netherlands East Indies. It lies, however, 23 kilometres or nearly 15 miles from its port, Belawan. All goods consigned to purchasers in Medan should be shipped c.i.f. Belawan so that there is no misunderstanding and quotations should read distinctly c.i.f. Belawan. The port of Belawan is stated to be the most important in the whole of Sumatra, and is 368 miles from Singapore, 144 from Penang and 864 miles from Batavia. In Belawan there is adequate wharf accommodation.

Medan was originally created by the tobacco culture in the vicinity. To-day it is also a large rubber plantation centre and the native trade is subservient to the plantation trade. In the future the city has rich promise in the palm oil trade as great efforts have been made to compete with Africa in this product. Tea culture is also to the fore in the vicinity. There is a large plant for the refining of oil owned by the Bataafsche Petroleum Maatschappij at Pangkalan Brandan which is some 2½ hours distant by rail from Medan. Further, in Medan itself, is the head office of the Deli Tobacco Company, the pioneer and largest concerns in that area. As the Straits Settlements is much nearer Medan than Java there is a strong British trade influence.

PALEMBANG

After Medan, Palembang is probably the most important port on the East Coast and both Singapore and Batavia have a good deal of interest in its trade. It is situated on the banks of the Meosi River, about 80 miles up stream, and is the commercial centre of South-East Sumatra. The town is built on both sides of the river and the native houses, in Malay fashion, are built out over the water on piles. It is served by the Royal Packet Navigation Co., (Koninklyke Paketvaart Maatschappij) from both Singapore and Batavia. Further, sternwheelers take cargo up the Moesi River to Sekajoe, Lakitan and Moeara Klinki. It has a number of saw mills, mostly Chinese, while cotton has also been grown in the vicinity. The natives are good traders and practised agriculturists.

PADANG

Padang is connected with its port of Emmahaven, where there is good wharf accommodations, by rail. It is 572 miles from Batavia, 604 miles from

Sabang, at the northern tip of Sumatra, and 1,028 miles from Singapore via Sabang or via Batavia, 1,104.

An old Dutch settlement Padang, is the capital of Sumatra's West Coast, as Medan is of the East. The principal development is due to the Ombilin coal fields but it has also a cement works and exports Padang coffee, damar, hides, rattan and sundry native products. The cement factory is some 11 miles from the city and uses electrical power from the Padang River. The Ombilin coal mines are at Sawah Loentoe and were discovered in 1867, but not worked until years later. They are now a very important factor in the Netherlands East Indian coal trade.

BENKOELEN

Benkoelen is the southernmost of the West Coast ports. Its hinterland is noted for gold and silver with the well-known gold mine Radjang Lobong is about a hundred miles distant. Ships anchor a good way out and goods must be lightered in.

SIBOLGA

Sibolga is situated in the magnificent bay of Tapanoei, but has no wharfs, and goods are lightered in. It serves the mountain country behind it which is inhabited by the Bataks. There is no railway but motor roads lead to Padang and across to Medan on the West Coast. It is the headquarters in Sumatra for R. Henneman & Coy., who maintain a number of retail stores in this area. A regular weekly service between Batavia and the East Coast is maintained by the Koninklijke Paketvaart Mij., and Java interests are supreme in the import trade. The West Coast has a very small trade connection with Singapore as compared with the East Coast of Sumatra which is largely dominated, particularly in Medan, by the adjacent British Colony.

SCOPE OF MARKET

The limited European population and the fact that there are but few wealthy Chinese in Sumatra, (the majority of them being coolie labourers on plantations), has a far-reaching effect on the demands of the Sumatra market. But, what has even a greater effect on this market's requirements is that in the hinterlands there are many scattered races of natives, none of them with the exception of the Menangkabaus and the intractable Atchinese, are on a par with the Javanese as consumers. The bulk of the peoples are small in numbers and of little economic value, there being only about five million against about thirty-five million in Java. Thus, the trade of Sumatra has not the scope or the variety of articles demanded in the latter island. What is wanted are goods for a crude native population and at the cheapest price possible. All the Dutch importers interviewed were very insistent on the necessity of cheapness. It is a price, not a quality market. Besides the goods for the native populations there is a good demand for estate supplies for the various cultivations.

NATIVE DEMANDS

The chief goods for the native trade are among others:—piece goods, cigarettes and matches, knives, patjols, waist belts, rice bowls, cheap cups and saucers, nails, alpaca wire (for making hooks, whip stocks, hair-pins, etc.) cheap Japanese singlets, Chinese playing cards from Belgium, scrap iron (for making such goods as axles for grobeks, sadoes, hand tools, etc.) cheap soap, condensed milk, umbrellas and parasols from China and Japan, leather (for Chinese cobblers to make belts, sandals, etc.), etc., etc. Native luxury articles are cheap one cent mirrors, cheap combs, pins, cheap bicycles from Germany, buckles for belts, etc. But, because of these limited general demands it must not be

thought the natives are hopelessly poor. The land produces the greatest variety of food. As to clothes, some local weaving is done, and the Menangkabaus produce beautiful gold-threaded clothes. The Bataks have their own cloths and so on. The Menangkabau women use thousands of English sovereigns and even American gold dollar pieces of high dimensions as buttons. The women's bracelets and pins, and even often their belt buckles are of pure gold. The harness on their sado ponies is gay with nickel fittings.

So there are two facets to every picture. The natives do not buy what they do not want. When this is borne in mind, it should not be forgotten that so many manufacturers in North America as elsewhere, have followed the mistaken idea that export trade with Asia is a question of an exportable surplus of ordinary western goods; whereas it is in reality a question of the manufacture (so far as the native trade is concerned) of a number of special lines for eastern consumers.

ESTATE SUPPLIES

The usual estate supplies are in demand in Sumatra, particularly in Medan, for tea, rubber, palm oil and tobacco plantations. There are however, a few peculiarities to this island in some of these requirements, which are worth noting. In Sumatra, the demand is generally for 28 gauge galvanized corrugated iron sheeting, though sometimes 31 and 32 gauge is used. Lengths run 5 to 10 feet with the bulk of the business in 6 to 8 feet sizes. Medan prefers, it is said, wire nails packed in paper packages of $1\frac{1}{2}$ and 2 pound gross weight, packed in kegs of $37\frac{1}{2}$ and 50 pounds net package contents. In patjol, the hoe used by labourers in one shape or other throughout the East, Sumatra wants a 5 pound article with an edge $11\frac{1}{4}$ by 7 inches, $13\frac{1}{2}$ inches from edge of the top of D eye. The women workers prefer a $3\frac{1}{4}$ pound patjol with $10\frac{1}{2}$ inches from edge to top of D eye. There is only a small sale for D-handle strapped digging forks with three, four and five times, but it is relatively larger than the demand in Java. A few axe heads of American pattern (single-bitted) are sold in weights of $2\frac{1}{2}$, 3 and $3\frac{1}{2}$ pounds. If palm-oil is to be handled in tank steamers, then the sale for steel barrels will not be pushed; otherwise, there should be some business in Medan for this line at a later date, when palm-oil production gets under full way.

EMPIRE SHOPPING WEEK IN UNITED KINGDOM

During the week in which Empire Day falls, it has been the custom, in the United Kingdom, for the past two or three years, to organize an Empire Shopping Week. The Incorporated Association of Retail Distributors have now started to make arrangements for the forthcoming Shopping Week, which will be held throughout all parts of Great Britain during the week which commences May 3.

All the large stores in the country which belong to the association, together with the overseas members, are being asked to co-operate and make the campaign of 1926 an even greater success than those of previous years. An appeal will also be issued through other trade organizations asking the thousands of smaller shops in the country to participate in a special effort to increase the scope of the movement.

The campaign has the support of important trade and industrial organizations and is certain to receive a large amount of publicity. It is, therefore, an excellent opportunity for Canadian firms exporting to Great Britain to have their goods placed before the British consumers. As this Shopping Week does not take place for another two months, there is ample time for firms to instruct their United Kingdom representatives to make arrangements with the organizers of the movement for the display of their products.

EXPORTS FROM CANADA TO THE UNITED STATES OF PRINCIPAL COMMODITIES PRODUCED ON CANADIAN FARMS, OR MANUFACTURED DIRECTLY FROM SUCH FARM PRODUCTS, DURING THE MONTH AND FOUR MONTHS ENDED JANUARY, 1921, 1922, 1925 AND 1926; WITH UNITED STATES TARIFF RATES IN FORCE

(COMPILED BY THE EXTERNAL TRADE BRANCH, DOMINION BUREAU OF STATISTICS AND THE FOREIGN TARIFFS DIVISION)

Commodities	Month of January					Four Months ended January			United States Tariff Rates in force		
	1921	1922	1925	1926	1921	1922	1925	1926	Prior to May 27, 1921	From May 27, 1921 to Sept. 21, 1922	Subsequent to Sept. 21, 1922
Animals (except for improvement of stock)—											
Cattle.....	11,166	4,188	3,183	10,370	164,437	104,363	37,429	69,448	Free	30 p.c.	(a)
Horses.....	807,290	117,490	64,971	330,350	12,546,168	1,923,508	1,116,107	2,339,982	Free	10 p.c.	(b)
Poultry.....	40,374	60,770	10,296	6,965	247,864	171,887	35,187	25,167	10 p.c.	10 p.c.	(c)
Sheep.....	48,171	39,360	53,235	85,732	525,784	529,555	556,104	570,673	1c. per lb.	1c. per lb.	3c. per lb.
Fruits—	142,175	13,619	2,488	11,556	1,080,131	223,460	149,239	217,607	Free	(c)	\$2 per head
Apples, green or ripe.....	888	5,199	1,786	238	11,011	392,360	32,311	23,917	10c. bu. 50 lb.	30c. bu.	25c. bu. 50 lb.
Apples, dried.....	5,619	13,094	10,875	712	53,822	1,999,472	179,502	120,044	1c. per lb.	1c. per lb.	2c. per lb.
Berries, fresh.....	1,980	8,953	9,842	2,785	25,522	73,342	53,063	113,025	1c. per qt.	1c. per qt.	1½c. per lb.
Grains—											
Barley.....	1,351	878	8,400	128	1,351	1,351	8,400	2,886	15c. bu. 48 lb.	15c. bu. 48 lb.	20c. bu. 48 lb.
Beans.....	696	633	403	10,231	1,033	3,267	7,560	32,380	25c. bu. 60 lb.	2c. lb.	1½c. lb.
Buckwheat.....	2,053	2,874	107,269	26,463	1,017	9,611	11,088	85,167	Free	Free	10c. per 100 lb.
Oats.....	56,314	14,718	100,497	6,768	135,186	53,096	330,708	11,383	6c. bu. 32 lb.	6c. bu. 32 lb.	15c. bu. 32 lb.
Peas, whole.....	179,882	185,946	48,532	13,873	389,258	1,013,334	196,575	280,608	10c. bu. 60 lb.	10c. bu. 60 lb.	1c. lb.
Peas, split.....	111,134	94,531	29,327	7,044	232,658	483,950	13,477	123,073	10c. bu. 60 lb.	10c. bu. 60 lb.	1½c. lb.
Rye.....	62,703	33,713	54,204	69,212	138,732	211,371	229,694	33,369	10c. bu. 60 lb.	10c. bu. 60 lb.	1c. lb.
Wheat.....	14,424	5,846	1,242	288,050	74,521	53,891	7,070	1,536	20c. bu. 60 lb.	20c. bu. 60 lb.	1½c. lb.
Grain Products—	29,483	4,583	46	494,301	60,837	2,985	2,917	937	Free	Free	15c. bu. 56 lb.
Bran, shorts and middlings.....	4,049,702	21,458	6,867	3,426	33,213,638	9,195,631	1,870,770	6,337,841	Free	35c. per bush.	42c. bu. 60 lb.
Wheat Flour.....	7,715,595	27,167	7,423	4,781	73,194,213	10,287,406	2,790,983	8,572,157	Free	(e)	(d)
Meats—	94,679	17,591	145,552	100,938	507,875	259,210	1,018,254	1,393,270	20 p.c.	20 p.c.	1-04 p. 100 lb.
Bacon, hams, shoulders and sides.....	148,555	21,865	193,585	131,834	918,987	253,333	1,305,331	1,758,673	Free	25 p.c.	2c. per lb.
Beef, fresh, chilled or frozen.....	174,846	55,564	2,169	696,323	281,767	1,724,931	25,629	58,940	Free	25 p.c.	3c. p. lb. (g)
	1,630,537	313,214	80	18,334	7,333,838	1,035,758	118,589	578,634	Free	2c. per lb.	
	124	131	1,275	1,250	1,082	481	5,414	4,498	Free	25 p.c.	2c. per lb.
	6,166	3,876	27,641	38,420	119,291	15,996	114,032	150,760	Free	2c. per lb.	
	20,977	3,240	1,272	7,649	44,202	98,408	13,301	49,809	Free	2c. per lb.	
	320,784	33,131	15,513	85,166	1,734,363	1,035,758	118,589	578,634	Free	2c. per lb.	

Mutton and lamb, fresh, chilled or frozen.....	Cwt.	883	4,652	257	118	39,955	49,769	493	17,536	Free	2c. per lb.	(b)
Pork, fresh, chilled or frozen.....	Cwt.	22,506	95,404	5,962	3,043	1,019,867	838,851	11,017	433,153	Free	2c. per lb.	
Pork, dry-salted and pickled.....	Cwt.	484	1,127	4,241	3,762	4,155	3,603	36,767	14,560	Free	2c. per lb.	
Poultry, dressed or undressed.....	Cwt.	17,916	20,006	95,446	91,267	154,065	87,929	628,685	336,295	Free	25 p.c.	
Other meats, including canned meats, but excluding extracts.....	Cwt.	325	300	30	30	622	1,809	5,519	1,788	Free	2c. per lb.	
Milk and milk products—												
Butter.....	Lb.	75,870	1,800	3,000	65,613	434,822	684,270	118,128	329,850	Free	25 p.c.	
Cheese.....	Lb.	1,082	428	1,786	1,306	7,786	3,869	5,345	7,591	Free	25 p.c.	
Cream.....	Lb.	15,797	3,831	29,820	20,039	122,083	38,498	77,174	91,787	Free	25 p.c.	
Milk, fresh.....	Gal.	38,395	185,828	73,990	23,753	1,478,003	2,487,321	592,799	348,921	2½c. per lb.	6c. per lb.	
Milk, condensed, including milk powder.....	Lb.	18,928	68,457	22,962	10,046	741,726	494,351	529,387	139,967	2½c. per lb.	8c. per lb.	
Seeds—												
Clover seed, alsike.....	Bush.	5,771	81,553	19,500	18,600	100,510	2,529,465	146,400	81,300	Free	23 p.c.	(i)
Clover seed, alfalfa and red.....	Bush.	2,504	13,826	14,500	5,696	29,870	386,079	37,547	27,098	Free	23 p.c.	
Clover seed, other.....	Bush.	27,498	222,094	140,164	134,796	333,746	605,503	805,568	1,100,522	Free	5c. gal. (j)	
Flaxseed.....	Bush.	40,970	279,073	279,073	266,973	543,878	893,875	1,402,784	2,048,921	Free	20c. gal. (j)	
Grass seed.....	Bush.	68,502	70,696	177,168	256,763	334,629	454,843	1,096,367	1,542,827	Free	2c. gal. (j)	
Vegetables—												
Potatoes.....	Bush.	21,057	17,663	34,274	58,719	124,329	106,530	211,690	307,491	Free	2c. gal. (j)	
Sugar beets.....	Ton	154,336	49,542	1,585,000	622,300	2,855,035	88,257	3,983,566	2,203,200	Free	2c. per lb.	
Turnips.....	Bush.	47,019	9,007	104,355	72,316	454,659	16,884	467,842	210,337	Free	1c.—3c. lb.	
Miscellaneous Products—												
Eggs.....	Doz.	10,385	12,422	22,602	24,199	18,543	51,954	83,139	96,270	Free	Free	
Hay.....	Ton	127,027	109,199	205,483	275,275	256,814	464,541	695,164	1,083,197	Free	4c. per lb.	
Maple sugar.....	Lb.	9,428	5,043	77,100	58,753	9,473	8,991	225,632	299,405	Free	Free	
Tallow.....	Cwt.	3,605	12,004	125,547	59,871	29,711	28,053	74,095	54,149	Free	Free	
Wool.....	Lb.	19,028	12,041	178,048	12	795,928	1,350,459	1,371,432	1,139,845	Free	Free	
Total value of above commodities.....	\$	127,912	6,408	164,326	97	1,677,908	2,517,668	3,083,047	2,691,279	20c. bu. 56 lb.	30c. bu. 56 lb.	
	\$	266,258	10,819	12,335	3,939	32,584	44,211	65,622	15,727	Free	Free	
	\$	19,942	19,475	36,024	14,201	67,389	183,187	151,588	45,250	Free	Free	
	\$	229,421	213,823	2,107	484,471	1,328,360	556,783	282,062	2,416,109	Free	25c. bu. 60 lb.	
	\$	173,018	149,217	1,385	777,248	1,190,185	478,983	164,921	3,213,839	Free	50c. per 100 lb.	
	\$	18,074	100	1,385	12,069	11,502	10,481	22,032	45,097	Free	5 p.c.	
	\$	18,511	1,140	571,449	279,224	1,307,471	1,316,331	2,032,282	1,707,894	Free	80c. ton 2,240 lb	
	\$	255,612	60,678	106,410	66,891	319,822	331,325	356,337	43,257	Free	15 p.c.	
	\$	60,973	472	319	258	132,938	110,227	49,200	55,016	Free	Free	
	\$	18,460	702	142	29	39,083	53,063	22,107	22,375	Free	Free	
	\$	10,702	945	142	39	37,228	11,534	41,517	139,664	Free	Free	
	\$	6,324	174	13,360	29,450	97,228	11,534	41,517	139,664	Free	Free	
	\$	151,704	4,426	143,277	381,690	841,387	11,008	431,387	1,301,683	\$2 ton 2,240 lb.	\$4 ton 2,240 lb.	
	\$	179,708	119,556	151,238	173,538	906,879	1,013,512	833,626	464,369	3c. per lb.	4c. per lb.	
	\$	39,120	8,624	30,267	16,226	223,913	73,249	140,013	54,363	Free	Free	
	\$	1,035	9,005	2,735	1,237	47,805	45,038	9,032	4,352	Free	Free	
	\$	5,693	11,848	304,673	292,913	4,564,001	107,455	2,431,392	3,736,028	Free	Free	
	\$	1,544,502	354,757	140,056	108,246	1,101,444	107,455	1,026,777	1,322,288	Free	Free	
	\$	354,757	140,056	108,246	108,246	1,101,444	107,455	1,026,777	1,322,288	Free	Free	
Total value of above commodities.....	\$	12,655,257	1,801,324	2,344,308	3,187,793	108,346,714	27,377,403	17,190,530	29,910,571		(i)	

(a) Cattle weighing less than 1,050 pounds, 1½c. per lb.; 1,050 pounds or over, 2c. per lb. (b) Horses valued at not more than \$150 each, \$30 per head; more than \$150 each, 20 per cent; (c) Sheep, one year old or over, \$2 per head; less than one year old, 15c. per head. (d) Prior to April 6, 1924, 30c. per bush. (e) Prior to May 27, 1921, and from May 27, 1921, to September 21, 1922, free, if wheat products, but otherwise apparently 15% ad val.; from September 21, 1922, to April 6, 1924, 15% ad val.; from April 6, 1924, 15% ad val. (f) Prior to April 6, 1924, 78c. per 100 lb. (g) Applies to particular meats in question when "fresh." (h) Mutton fresh, 2½c. per lb.; lamb, fresh, 4c. per lb. (i) Cheese, 5c. per lb., but not less than 25 per cent. (j) i.e. 231 cubic inches about equal to 6 we-a-rths of imperial gallon. (k) Clover seed, crimson, 1c. per lb.; white, 3c. per lb. and other, 2c. per lb. (l) Dutiable at various rates. See Commercial Intelligence Journal No. 974, Sept. 30, 1922, pages 510-7.

MERCANTILE SHIPBUILDING OF THE WORLD IN 1925

TRADE COMMISSIONER HARRISON WATSON

London, January 25, 1926.—The Annual Report of Lloyd's Register of Shipping demonstrates the unfortunate, and even critical, condition in which the shipping industry of the United Kingdom finds itself under existing circumstances. The year 1925 witnessed another heavy fall in the output of British yards. Simultaneously, increases took place in shipbuilding in several foreign countries, and it is clear that this expansion includes orders secured from other countries which otherwise and previously had their ships built in the United Kingdom.

A reduction in construction, while regrettable, is a temporary feature, in so far that there are at present too many vessels in the world to be profitably employed, resulting in a large decrease in the shipping output of the world. The other features, however, are serious because they betoken a condition of affairs which threatens to remain permanent unless the cost of building ships in the United Kingdom can be substantially reduced from the present prohibitive level.

The position outlined by Lloyd's is that during the year 1925 there were launched in the world 855 vessels of a total tonnage of 2,193,404 tons. Of this, United Kingdom construction accounts for 1,084,633 tons, or an output of 355,252 tons less than in the previous year. This represents 49.5 per cent of the world's production, compared with 64.1 per cent in 1924 and 58 per cent in 1913. Upon the other hand, the total tonnage constructed abroad during 1925 (1,108,771 tons) records an increase of 300,905 tons over 1924. The figures are so similar as to suggest that the higher continental output achieved has been gained at the expense of British yards.

Unfortunately, the unfavourable circumstances appear to be continuing. At the opening of 1925, 1,296,971 tons were under construction in Great Britain and Ireland. Lloyd's quarterly returns have indicated a steady decrease throughout the year, and on December 31, 1925, the tonnage under construction amounted to only 885,013 tons, or a drop of 411,958 tons. The figures for the end of 1925 are the lowest recorded since September, 1909, and exhibit a reduction of 2,913,580 tons as compared with the record reached at the end of March, 1921.

It should also be stated that at the end of 1924 the total included about 60,000 tons on which work was suspended, which figures had increased at the end of 1925 to 97,000 tons. Moreover, it is pointed out that, judging by the returns of tonnage commenced, orders for new vessels have not been keeping pace with the tonnage launched.

WORLD'S TOTAL MERCANTILE TONNAGE

Comparing the total of the world's merchant fleets in 1914 with the latest available figures, Lloyd's Register states that disregarding sailing vessels and wood steamers in view of their relatively small importance in international trade, the gross tonnage of ships has expanded by no less than 16,000,000 tons.

A remarkable change has, moreover, taken place in the tonnage of certain types of ships. For instance, tankers, which in 1914 amounted to 1,479,000 tons, now amount to 5,384,990 tons, while motor ships have grown from 234,000 tons to nearly 2,750,000. An equally notable transformation has occurred in the relative use of coal and oil fuel for boilers. In 1914 the tonnage of steamers fitted for oil fuel was 1,310,000 tons, whereas in 1925 the total was not less than 17,804,122 tons.

LAUNCHINGS IN PRINCIPAL COUNTRIES

The position in Great Britain and the other leading shipbuilding countries may be seen at a glance from the following table contrasting launchings in 1924 and 1925 respectively:—

	1924 Tons	1925 Tons
Great Britain	1,439,885	1,084,633
Germany	175,113	406,374
United States	139,563	128,776
Italy	82,526	142,046
Holland	63,627	78,823
France	79,685	75,569
Denmark	63,937	73,268
Japan	72,757	55,784

SHIPBUILDING IN PARTICULAR COUNTRIES

United Kingdom.—Of the ships completed during the year 906,169 tons are for registration at home and 178,464 tons (under 16½ per cent) are for owners residing abroad. This percentage compares with an average of 22 per cent for the five pre-war years 1909-13. As regards the size of vessels, the total included twelve ships of 10,000 tons and upwards and seventy-five between 5,000 and 10,000 tons.

The use of motor ships continues to make rapid progress. In 1919 the tonnage of vessels fitted with internal combustion engines was 32,936 tons; in 1924 it amounted to 237,458 tons, and during 1925 fifty-one motor ships of 267,217 tons have been launched, or nearly one-third of the steam tonnage. Thirty-four of these are of 5,000 tons and upwards, the largest being the *Asturias* (22,137 tons).

Germany.—German output shows the large increase of 231,261 tons over 1924, and represents 37 per cent of the total construction abroad during 1925. Great development was witnessed in connection with motor ships, the production under this heading amounting to fifty-six vessels, of 279,410 tons. This equals about 48½ per cent of the total motor tonnage launched abroad during the year, and is greater even than the British output.

United States.—The results in the United States showed a still further decline, the construction being 10,687 tons less than in 1924 and about 3,937,000 tons lower than that of the record years, 1919. Of the total, 38,590 tons were built on the Atlantic coast, 50,010 on the Great Lakes, and 4,688 tons on the Pacific coast.

Italy.—A relatively high increase was experienced in Italy, the aggregate output (142,046 tons) being 59,520 tons higher than that of 1924. Practically the whole of this tonnage was constructed in the Trieste district. The largest vessel launched abroad, the *Saturnia* (a motor ship of 25,000 tons), was turned out in an Italian yard.

Holland.—Holland also registered an increase, the production being 15,000 tons greater than in 1924. It should be borne in mind, however, that the Dutch figures do not represent the total of ships constructed, since they do not include vessels intended exclusively for river navigation, the tonnage of which is often considerable.

France.—Launchings in 1925 (75,569 tons) are 4,116 tons lower than in 1924, and are nearly 62,000 tons below the average of the three pre-war years 1911-13. Seven vessels, of 24,393 tons, fitted with oil engines, were completed in France during the year.

Japan.—A decline in ships constructed occurred during 1925, the total (55,784 tons) being some 30 per cent less than in the preceding year.

Scandinavian Countries.—The total tonnage launched in Denmark, Norway, and Sweden amounted to 155,823 tons, which total is 35,536 tons higher than the output for 1924. In Sweden there was an increase of 22,539 tons; in Denmark, of 9,331 tons; and in Norway, an advance of 3,666 tons.

British Dominions.—Ships constructed in the Empire overseas during 1925 aggregated 46,078 tons, or about 1,200 tons more than in 1924. Of this, 20,817 tons were launched in Canada, 17,050 tons at Hong Kong, and 4,286 tons in Australia.

MARKET FOR EVAPORATED APPLES IN THE NORTH OF ENGLAND

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, January 29, 1926.—Evaporated apples are consumed fairly regularly in this section of England. Californian, Oregon and Washington packs come to Liverpool in considerable quantities and have an established reputation on the market. Oregon and Washington packs are definitely superior to Californian. Ontario and New York state supply smaller amounts which meet with a fair degree of appreciation but have at times been criticized as below the grade and pack of their competitors.

The 1924 Californian pack was irregular in quality with a resultant effect on prices, but efforts since made toward improvement were successful and the 1925 pack has been meeting a more receptive market. Colour has a certain effect on sales and last year's Californian supplies are whiter than the previous year's pack. Californian shipments are made in the following grades: Fancy, Extra Choice and Choice. The bulk of the Californian trade is done in Extra Choice. The standard grade from this source is considered usually too low in quality for this market and Extra Fancies are not commonly seen. Ontario evaporated apples are, as a rule, placed in the class of New York state Prime and Californian Choice. An important firm interviewed, who have handled Ontario packs on different occasions, stated that they had not had any Canadian supplies this season, and would be glad to entertain offers from shippers.

Evaporated apples are mainly imported in boxes containing 50 pounds net, although a small trade is done in 25-pound sizes. Quotations are given per 112 pounds. Recent approximate prices have been as follows: Californian Extra Choice, 60s. per cwt. c.i.f. Liverpool and Fancy quality around 66s. to 67s. Oregon and Washington quotations have been ruling from 3s. to 4s. dearer. Ontario packs have been valued lately at around 58s. to 60s. Any interested Canadian firms are invited to communicate with this office.

TRADE COMMISSIONER E. L. McCOLL'S INTENDED VISIT TO PERU

Mr. E. L. McColl, Canadian Trade Commissioner, Buenos Aires, is expected to arrive in Lima, Peru, on March 1, 1926, on a special trade mission to that country. His journey is being undertaken for the purpose of investigating the possibilities for increasing Canadian-Peruvian trade. Canadian exporters who are desirous of initiating trade with Peru, extending present trade relations, or obtaining special information on this market should address Mr. McColl in care of the British Legation, Lima, Peru, forwarding full particulars, including best prices, c.i.f. Lima if possible, terms, time required to fill and ship orders, amounts available for export, etc. In addition latest catalogues should be forwarded.

COMMERCIAL CONDITIONS IN NORTH OF ENGLAND

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Industrial Conditions

Liverpool, February 6, 1926.—The new year opened with a greater display of interest in cotton yarn and cloth, and the demand for cotton piece goods continues to show a steady increase. At the same time, the position of the spinning section of this industry, using American cotton, continues unsatisfactory and the latest proposal of the Manchester Cotton Spinners' Federation has been to institute a still further inquiry into the problems effecting production.

The position in the various sections of the wool textile industry is still somewhat unequal. In the more important departments, including the worsted section, business since the new year has not reached expectations. The hosiery trades have been rather busier and the general conditions point to larger production. The uncertainty regarding raw material prices continues.

Reports from the iron and steel trades of this district are distinctly encouraging and foreign competition has lately fallen off. There has been a marked shortage of pig-iron.

The Newcastle coal area has enjoyed improved trade during January. The shipbuilding industry remains depressed but ship repairing has provided a fair volume of business.

January has been a satisfactory month for several branches of engineering in Lancashire with heavy electrical firms, machine tool makers, and structural firms mostly well employed. Railway engineering manufacturers in Leeds have also enjoyed better business. This improved condition in the engineering trades is having a favourable effect among Sheffield steel and tool manufacturers.

Import Trade

TIMBER

Canadian spruce stocks have assumed more reasonable dimensions during the past month. Cargo business has continued to develop slowly, with buyers on the whole restricting their purchases to lower port cargoes for prompt loading. Recent sales of Halifax spruce deals have been reported at £13 10s. per standard c.i.f. and scantlings at £12 10s. Liner shipments have been mostly handled on contract. Trading in birch has been quiet, anticipated supplies having brought lower values. Recent quotations were in the neighbourhood of £16 10s. c.i.f. Liverpool for liner lots. There has been an improved inquiry for Douglas fir, but shippers' quotations have been widely varied over the month. Sitka spruce has been coming forward more freely. It is reported that, resulting from a satisfactory trial order executed last year, further business has been done in Canadian white pine, for shipment to British West Africa. For the month ending January 31, 1926, unofficial statistics of certain timber imports, consumption and stock are given in comparison with the corresponding period of 1924 and 1925 as follows:—

	Import			Liverpool Consumption			Stock		
	1924	1925	1926	1924	1925	1926	1924	1925	1926
British Columbia and Oregon pine..cu. ft.	36,000	20,000	93,000	15,000	62,000	80,000	117,000	191,000	229,000
Birch logs.....cu. ft.	1,000	10,000	...	2,000	7,000	5,000	11,000	13,000	45,000
Birch planks.....cu. ft.	17,000	27,000	25,000	24,000	49,000	25,000	36,000	135,000	194,000
Quebec yellow pine deals.....stds.	10	20	10	410	640	270	4,200	4,610	5,610
Quebec red deals.....stds.	...	...	...	70	100	30	830	1,210	1,570
Quebec spruce deals.....stds.	...	...	...	440	220	20	2,560	1,870	2,540
N.B. & N.S. spruce and pine.....stds	230	750	550	860	890	700	3,340	5,339	4,750

	Import			Manchester Consumption			Stock		
	1924	1925	1926	1924	1925	1926	1924	1925	1926
British Columbia and Oregon pine..cu. ft.	19,000	44,000	36,000	9,000	23,000	20,000	39,000	88,000	94,000
Birch logs .. .. .cu. ft.	...	...	...	...	...	3,000	...	...	8,000
Birch planks.. .. .cu. ft.	1,000	5,000	...	7,000	5,000	11,000	71,000	54,000	136,000
Spruce deals .. .. .stds.	170	1,150	440	690	870	660	8,570	6,550	3,260
Pine deals.. .. .stds.	270	200	80	180	200	140	1,990	2,100	2,040

GRAIN AND FLOUR

During January, buyers of breadstuffs were discouraged by the unsettled state of the market, and consequently purchases were mainly on a restricted scale. This absence of demand brought fairly liberal offerings of wheat from Canada, Australia and Argentina, at gradually reduced prices. No. 1 Manitobas afloat, which opened the month at around 63s. per quarter c.i.f., closed at about a shilling cheaper. Trading in cargoes and c.i.f. parcels was below the average during the past month. Of the total c.i.f. business done, Liverpool claimed 18.1 per cent, Manchester 12 per cent, and Hull 5.8 per cent.

The market for flour has again been disappointing and the general position is that the trade is still suffering from very keen competition among home millers. There has been a limited business done in Canadian export patents, from parcels bought during December, but little forward c.i.f. trade has been reported. Australian flour, on spot, has enjoyed a good demand on account of the large proportion of Canadian hard wheat being used by home millers. French soft wheat flour has also been offered cheaply for use in blending. Canadian export patents closed the month at around 45s. per sack c.i.f. Australian flour for February shipment has been offered lately at 41s. 9d. c.i.f., and home milled straight run at 46s. to 48s.

The preliminary figures showing the imports of grain and flour to this area for the month of January, 1926, are as follows:—

	Wheat Quarters	Flour Sacks	Maize Quarters	Barley Quarters	Oats Quarters
Liverpool	482,076	22,283	261,167	26,335	12,372
Hull	623,037	964	148,477	85,421	12,387
Manchester	141,614	2,053	18,070	8,380	1,085
Newcastle	81,646	6,155	12,072	31	7,742

BUTTER

The butter market, which was disorganized toward the close of 1925, has been slightly improved during the past month, with buyers showing more confidence at lower prices. Boxed butters have suffered from heavy continental shipments, which have resulted from the lack of demand in Germany. In addition to Danish butter, which is always a large factor in this market, supplies have been arriving from several other shippers of cask butters, particularly Sweden. A few remaining lots of Canadian butter changed hands during the month, at prices reported from 160s. to 167s. New Zealand quotations at the close of the month were from 178s. to 180s.; Australian 170s. to 174s., and Danish choicest 190s. to 192s.

CHEESE

The demand for cheese during January was fairly steady, as stocks were lower following the Christmas holidays, but prices remained at practically the same level. Canadian coloured matured qualities were scarce, and brought quite a premium over the October and later makes. At the close of January, Canadian finest coloured was being offered at from 108s. to 110s., and white varieties were asking about three shillings less. New Zealand cheese during the month was as low as 102s. for white, and 104s. for coloured, newly arrived quality. At the close whites were from 104s. to 106s. and coloured 108s. to 110s.

During January imports of New Zealand cheese were heavier than the month's consumption, but there will be no arrivals of cheese from New Zealand till February 14. All makes of cheese are worth from 10s. to 11s. per cwt more than at the close of January, 1925.

BACON

There has been a moderate demand for bacon during the past few weeks. Owing to a fair quantity of the Danish and Irish shipments consisting of heavy bacon there has been a good inquiry for lean sides, with a fair offtake in Canadian Wiltshire cuts of 50 to 60 pound and 60 to 65 pound averages. At the close of the month, average quotations on this market were as follows:—

Canadian Wiltshire cuts 100s. to 107s. per cwt.; American Cumberlands, 24 to 32 pound average, 104s. to 106s. American Wiltshire, 100s. to 102s.; Irish, 114s. to 126s.; and Danish, 114s. to 118s.

EGGS

Mild weather conditions over the greater part of January increased the supply of new-laid eggs in England, Ireland and Denmark. At the opening of the year Irish fresh eggs were quoted at 27s. on the Liverpool market, but closed the month at from 18s. 6d. to 20s. Irish cold stored eggs are practically finished, although a few remaining lots are being disposed of at from 15s. to 16s. It is reported that owing to low prices and inferior quality, Argentine eggs have been re-exported from this country to South America. The demand for the cheaper classed eggs has been poor.

HAY

Canadian hay arrivals during January showed a considerable falling off in comparison with the last two months of 1925. The approximate imports for this three-month period are as follows:—

November 14,400 bales; December 14,700, and January 8,800. The market at present is inclined downwards. Recent average c.i.f. purchases of Canadian hay have been in the neighbourhood of 95s. per ton.

IMPORTS FROM CANADA AND THE UNITED STATES

During the month of January the Liverpool customs bill of entry has indicated arrivals of certain commodities from Canada and the United States, the following list of which should be of suggestive interest to Canadian exporters.

Canada.—1,755 bags of fish fertilizer, 900 bags of alfalfa meal, 73 casks of cider, 8 live foxes, 150 bags of clover seed, 226 cases of frozen fish, £1,677 rubber heels, and £93 handles.

United States.—1,300 packages of evaporated apples (see report on page 274 of this issue), 13,758 packages of gallon apples, 8,600 bags crushed oyster shell (see report in *Commercial Intelligence Journal* No. 1106, April 11, 1925).

Other imports from the United States have been noticed as follows: garden cultivators, agricultural forks, cotton hosiery, abrasive cloths, tanning extracts, shoe finish, cotton duck, fibre pails, porcelain insulators, infusorial earth, football bladders, oil heaters, feathers, hog hair, semi-solid buttermilk, confectionery and beeswax.

PROVISIONS ON HAND

The following are unofficial estimates of the stocks of provisions in the port of Liverpool on January 30, 1926, in comparison with December 31, 1925, and January 31, 1925:—

	Jan. 30, 1926	Dec. 31, 1925	Jan. 31, 1925
Bacon	Boxes 7,001	5,203	14,001
Hams	Boxes 3,614	1,097	4,297
Shoulders	Boxes 535	439	1,260
Butter (all countries)	Cwts. 7,881	4,200	2,384
Cheese (full shapes), Canadian and United States	Boxes 19,653	28,204	12,749
Cheese (full shapes), Australian and New Zealand	Crates 568	145	671
Cheese (full shapes), (50 pounds and under)	Boxes 50	35	67
Cheese (manufactured)	Pounds 2,215	10,735	...
Lard (prime steer, western)	Tierces 338	476	638
Lard (imported pure refined lard in tierces, firkins, or other packages	Tons 1,077	1,748	1,858

TRADE CONDITIONS IN WEST OF ENGLAND AND SOUTH WALES

TRADE COMMISSIONER DOUGLAS S. COLE

West of England

Bristol, January 30, 1926.—In the Bristol area the Somerset County branch of the National Farmers' Union is perturbed over the heavy imports of malting barley and desire protection. This week at the meeting of the county executive committee in Bristol the following resolution was adopted:—

"That having regard to the undertaking given by Sir Robert Sanders in 1923 without protest from Parliament at the time, this public meeting of agriculturists deplores the failure hitherto of His Majesty's Government to give effect to the recommendations of the Agricultural Tribunal of Investigation that a duty should be imposed on imported malting barley for the purpose of assisting the arable area of this country, and respectfully requests the Government, if it feels unable to carry out the undertaking in its original form, to devise other methods of obtaining the object aimed at by the tribunal's recommendation, just as alternative ways have been suggested for giving the fiscal preferences promised to Dominion producers in the same year."

Bristol is, and has been for many years, the largest barley importing centre in the United Kingdom, taking on the average over one-quarter of the annual United Kingdom importations. Of this important trade Canada in 1925 supplied approximately 62,000 tons of a total of 212,000 tons.

As a rule, little of the Canadian certificated barley is used for malting purposes—and this applies even to 48-pound American malting barley—but is chiefly sold for grinding into meal for ultimate cattle-feeding purposes. The more expensive types of Australian Chevalier, Chilian, and Californian barleys are used for malting. In other centres, it is understood that Canadian barley is used for distilling by malsters.

South Wales

In *Commercial Intelligence Journal* No. 1151, page 236, it was reported that a new scheme to stabilize prices and output in the South Wales tinplate industry would soon be announced. It will be remembered that proposals were placed before a tinplate conference in 1925 to provide a more equitable division of orders and eliminate the strong competition which was hampering the trade. It is now announced that after February 8 the pool will be in operation in this important industry. This will be of interest to both Canadian and United States canners as prices will undoubtedly be affected.

In the coal export trade, Cardiff firms report a definite strengthening in the exports of steam coal. This is most welcome owing to South Wales being so dependent on this single industry. The Government subsidy is, of course, in operation, so that any increase in price tends to reduce the heavy amount of

state aid. Export prices, it must be remembered, are still below cost of production and range from \$4.98 to \$7.29 per ton, according to quality and size. It is reported that large quantities of better grade steam coals are being purchased for shipment to the United States as a substitute for anthracite. This is solely owing to the American anthracite strike.

Undoubtedly the trade situation in South Wales during the month of January has shown a definite and somewhat unexpected improvement.

South Midlands

In the Birmingham area, preparations for the British Industries Fair, to be held at Castle Bromwich, are being rushed. An additional building, in all probability, will have to be linked up with those already under one roof to accommodate the increased number of exhibitors for the 1926 show.

Conditions are unaltered in Birmingham industries with the possible exception of activity in the brass foundry trade as export trade in these lines is picking up. Birmingham export houses report that German competition is relaxing appreciably in Norway, Sweden, Denmark, and Holland, in which countries they were driven out during the deflation era in Germany. Increased cost of living in Germany coupled with credit stringency are chief factors in Germany's set back.

ECONOMIC CONDITIONS IN SCOTLAND AND NORTHERN IRELAND

II

TRADE COMMISSIONER G. B. JOHNSON

Import Trade—Continued

The demand for feedstuffs, especially in Northern Ireland, is insistent, but the difficulty in most classes is to obtain Canadian supplies, and this applies particularly to linseed cake. Interest is also being manifested here in alfalfa meal, semi-solid buttermilk, and oats and wheat offals.

The Scottish hay crop in 1925 was much below the average in quantity, although the quality was high. This was just the reverse of the conditions the year before, when excessive rains produced a great crop of inferior hay. The Canadian returns for the first seven months of 1925 show that nearly double the quantity of hay was shipped to Great Britain than was the case in the same period of 1924.

CATTLE AND HORSES

For the nine months ending December 31, 1925, the imports into Great Britain of store cattle from Canada amounted to 74,403, an increase of about 31,000 over the same period of 1924. Scotland is of course a very important destination for Canadian stores. In October last the largest shipment of Canadian store cattle ever made, consisting of 1,098 head, was landed at Glasgow. Scottish farmers have found by experience that Canadian cattle are very healthy, are free from disease, good feeders, and quick in coming to prime beef. It is an almost unheard of thing for a farmer to lose a Canadian bullock through illness, and they are now known to be stronger in constitution than most other cattle. The farmers in Scotland want young cattle, not more than two years old if possible, and there is ample room in Scotland for a great increase in the number of Canadian cattle which can be absorbed.

For the grass-feeding period feeders buy their cattle during March and up to the end of May or June, depending upon whether the season is late or early, and for the stall-feeding period they buy from September to December. These are the periods during which Canadian cattle can be absorbed in the largest numbers. During the rest of the year there is still a market for smaller shipments, and this would largely be regulated by the important influence of an early or late season and a shortage or abundance of root crops and feeding stuffs.

It should be continually borne in mind that the successful exportation of Canadian store cattle to Scotland depends to a very large extent on the classes shipped. The significance of this point cannot be overestimated. Classes of cattle best suited to the requirements of the Scottish market are:—

1. A good class of polled steer, weighing about 1,000 pounds live weight landed in Scotland, age about two years, of beef breeding, in good flesh, capable of dressing about 50 per cent of the live weight, and to be prime beef after three to five months' feeding.

2. A good class of heavier polled steer weighing about 1,000 pounds to 1,250 pounds live weight landed in Scotland, age $2\frac{1}{2}$ to $3\frac{1}{2}$ years, of beef breeding and good quality, capable of dressing about 53 to 55 per cent of the live weight, and to be prime beef after two to three months' feeding.

3. There is also a market for spayed heifers suitable for feeding of beef breed, age two to three years.

The great majority of the Scottish feeders are in favour of polled cattle, especially for stall feeding. Horned cattle are thus most difficult to sell, and in most cases command a lower price than polled cattle.

A shipment of fifty Percheron horses from Canada was made to Glasgow during 1925 to a large firm of haulage contractors. Efforts have been made during the year to increase this business as there appeared to be a substantial demand for Clydesdales for lorry work, but the difficulty is that Canadian firms will not ship horses on consignment, and buyers here will not take the risk of purchasing except here on the spot. If any Canadian firms will take whatever risk there may be it will be a simple matter for this office to obtain the services of reputable auctioneers to dispose of them.

DAIRY PRODUCTS

An increased demand in the Glasgow market for butter developed before Christmas, as was anticipated, but owing to the fact that buyers had loaded themselves up and because arrivals were heavier than anticipated, value fell. It is thought in the trade that prices should now show some little stability because shipments from Australia and Canada have been reduced. Argentine butter is very plentiful, and exceptionally low prices have had to be accepted in order to secure business. Canada is now seventh in the list of butter shipping countries supplying Great Britain, her exports to this country having quadrupled since 1923, and the year 1925 shows a large increase over 1924. No doubt the largely increased production in Western Canada mainly accounts for the increased trade.

Canada still occupies second place after New Zealand in cheese shipments to Great Britain, but during 1925 her position has improved materially so that New Zealand leads only by a narrow margin. The feature of the last year or two in the Scottish and North Ireland markets is the rapid progress that has been made in the sale of Canadian package or loaf cheese. At least two brands are now on the market, and the sales of that which was the first to appear have been nothing less than phenomenal. While New Zealand is slightly in advance of Canada in the cheese trade in Great Britain as a whole, in Northern Ireland Canada easily dominates the position.

CANNED PRODUCTS

Some progress has been made in these lines in 1925, due to window displays in 1924 and 1925 in several cities in Scotland and Northern Ireland of Canadian food products, including canned goods, and to propaganda to induce the public to buy Empire foods in preference to those produced in foreign countries. Business for Canada, however, on a large scale in these lines will not be forthcoming without determined efforts on the part of the Canadian firms concerned to give competitive value, that is, competition in price and quality combined.

SUGAR

While sugar is not a primary product of the Dominion the refining industry is an exceedingly important one, and Canada is one of the most important shippers of refined sugar to Great Britain. In 1925 Canadian granulated came into Glasgow and into other ports in large quantities. In the eleven months ending November 30, the shipments to Great Britain amounted to £1,841,000 as compared with £711,000 in the same period of 1924 and £966,000 in 1923. The November shipments were enormous as compared with the same month of the two previous years.

The Subsidy Bill, promoted by the Labour Government, makes provision for a subsidy for a period of ten years on refined sugar made from home-grown beet. During the first four years the subsidy amounts to 23 shillings to 24 shillings per hundredweight, and this looks so attractive that many capitalists have been induced to take part in the development of the industry. It is believed that during the last two years of the full subsidy, a period just about to commence, the factories now in course of creation, together with those already in operation, the production will amount to quite 100,000 tons per annum. During the remaining six years the subsidy falls to be gradually reduced, until in 1933 it ceases altogether. It is the opinion of competent observers that, without a substantial subsidy, this industry could not exist in Great Britain against foreign, especially Continental, competition.

TIMBER AND TIMBER PRODUCTS

It is probably true to say that most timber merchants and importers in Scotland and Northern Ireland would state that trading conditions during 1925 have been no better than those of the two preceding years. On account of the disappointing progress in housing construction most dealers were carrying large stocks during the first four or five months of the year. A weakening of values took place as the summer advanced, and by the month of August prices reached the lowest level for some years. Shipbuilding and engineering inquiries for timber have been so scarce that the timber trade has had to depend very largely on the progress of house construction.

As regards Pacific coast woods many merchants holding large stocks were badly hit as prices dropped several pounds a standard. The greatest fall took place in clear spruce, Port Orford cedar and Douglas fir, the latter having become very popular on account of its economic value. At to-day's level of prices many merchants are speculating on the strength of Pacific woods, especially Douglas fir, rising a few pounds a standard. The outlook for 1926 is that prices will certainly be maintained with a firmer and rising tendency. Scottish brokers state that the scarcity and high prices of Quebec yellow pine (white pine) are diverting users to substitutes, and that Douglas fir of first quality is the cheapest wood in relation to its merits that is being marketed. Some interest has also been aroused in the Scottish trade and in Northern Ireland by the possibility of substituting western hemlock from British Columbia for the vanishing yellow pine. The former wood has been largely unknown in this market, but its merits have been brought to the attention of the trade by this office.

A most important step by one of the four great railway groups in Great Britain, according to a report just issued, is the order just placed with British Columbia for railway sleepers amounting to 26 million feet of Douglas fir. This order is stated to be as much as the whole of British Columbia's export to the United Kingdom for the year 1923. This decision breaks a tradition of one hundred years, as sleepers for British railways have previously always been made of Baltic pine, except that in the case of long and heavier sleepers used for points and crossings during the past few years Douglas fir has been used to some extent. For the first time British railways have declared their intention

of giving preference to Canadian timber, price and other conditions being equal, and also for the first time a great British railway group has inserted in its conditions of tender "preference will be given to Canadian timber." The British Admiralty has also decided to use Douglas fir for the decking and bulkheading of new battleships, and the British Board of Trade has agreed to the use of Douglas fir and silver spruce in the construction of rowing and motor lifeboats.

In manufactured wood products in this country Canada has also been making progress during the year. Wood handles, especially broom handles, have been imported into Glasgow, by two firms for the first time from British Columbia, while wooden silos from the Dominion have been imported in considerable proportion during the past year or two. More business might be attempted in box shooks, especially for whisky cases, which is an enormous business, and in pit props for the coal mines. In the latter Canada has not been able to compete for several years, for one reason on account of the exchange, but a further attempt might now be made in view of the return of sterling to par.

RUBBER GOODS

While the countries of origin are not specified, the trade returns show that imports of manufactured rubber goods have increased from £4,500,000 in the first eleven months of 1923 to £5,800,000 in the corresponding period of 1925. The imports of rubber footwear tripled in that period, the figure being £257,000 and £760,000. The imports of rubber tires remained fairly steady at a little over £3,000,000, and other manufactured rubber goods jumped from £923,000 in the first eleven months of 1923 to £1,548,000 in the same period of 1925.

EXTERNAL TRADE OF SOUTH AFRICA DURING 1924

TRADE COMMISSIONER G. R. STEVENS

XII

Automotive Requirements

[Imports and exports of South Africa were discussed in general terms in the first instalment of this report, which was published in Commercial Intelligence Journal No. 1130; Foodstuffs Imports in Nos. 1131 and 1132; Textiles and Clothing in Nos. 1133 and 1134; and Machinery and Tools in Nos. 1143, 1144, 1147, 1148, 1149, and 1150. Further instalments of this report, which deal with the import trade of South Africa in the light of the recent revision of the tariff, will be published in later issues.]

Cape Town, December 31, 1925.—The summarized statistics of the automotive imports for 1923 and 1924 were as follows:—

	1924	1923
Motor cars, parts and accessories	£2,762,012	£1,943,901
Motor trucks, parts and accessories	344,052	171,788
Motor cycles, parts and accessories	214,189	151,930
Tractors, parts and accessories	31,602	1,530
Sundry accessories (brake lining and lampware)	20,814	.....
Rubber tires	450,760	417,522
Motor spirit	1,199,457	1,981,170
Government stores of automotive equipment	17,930	16,548
Totals	£5,040,816	£3,784,389

Thus automotive imports represent approximately 8 per cent of the total imports of South Africa and they provide 11 per cent of the total customs revenue. The increase in value of imports in the year under review represented an increase of approximately 33 per cent over 1923. In four years the number of motor cars imported increased fivefold and their value was quadrupled.

Prior to 1924 the ability of South Africa to absorb motor cars was estimated by the principal motor traders at from eight to nine thousand cars per annum. It was usually computed that half this quantity would be Fords, with the remainder distributed fairly well over heavy and light types of vehicles. With the extraordinary increase in 1924, it has been felt that South Africa was overtraded and that 1925 would be a fairly slack year. On the contrary, 1925 promises to surpass the previous year considerably and the forward contracts which are now being placed anticipate equal progress during 1926.

The reasons for the increased demand are apparent under careful examination. All in all, the rural communities have had two good years in succession, with profitable returns from wool, maize, and fruit. The imports during the slump, which extended in South Africa until 1923, were well below ordinary requirements and there was therefore exceptionally large business to be booked. But the two factors which combined above everything else to increase the demand for automotive products so greatly were the gradual reduction of prices to more reasonable figures and the introduction of the instalment payment system on a much larger scale than ever before. Coupled with these circumstances came the sudden development of a vogue for British and European light cars and consequent price reductions on heavier American vehicles to meet this competition.

DIRECTION OF TRADE

The following statistics show the source of all types of motor vehicles imported:—

	Passenger Cars		Motor Trucks		Motor Cycles		Totals	
	1924	1923	1924	1923	1924	1923	1924	1923
Great Britain	725	280	182	91	2,374	1,386	3,281	1,757
Canada	5,080	5,286	757	40	..	..	5,837	5,326
Belgium .. . . .	..	16	..	..	..	..	..	16
France	226	47	8	4	..	25	234	76
Germany	54	18	1	5	1	18	56	41
Holland	3	1	..	..	..	..	3	1
Italy	213	81	1	..	..	..	214	81
Switzerland .. . . .	..	..	..	..	1	2	1	2
United States	7,186	4,491	621	225	869	728	8,676	5,444
Totals	13,487	10,220	1,570	365	3,245	2,159	18,302	12,744

The average f.o.b. cost per vehicle appreciated from £170 in 1923 to £183 in 1924. This increase was nevertheless coincident with a considerable cut in selling prices. American cars showed an average increase of £6 and Canadian £3 10s. per vehicle. British cars, on the other hand, dropped in average price from £365 to £274, due to the rapid expansion in the trade of one or two of the cheaper makes.

For the year under review American imports represented 53.3 per cent by quantity and 60 per cent by value. These percentages are respectively 9.1 per cent and 8.3 per cent greater than in 1923. Canadian supplies comprised 37.6 per cent by quantity and 28 per cent by value, decreases of 13.8 per cent and 12.2 per cent respectively. Great Britain's share increased in quantity from 2.7 per cent to 5.4 per cent and in value from 5.4 per cent to 8 per cent of the total. France, Italy, and Germany, the principal suppliers on the Continent, all showed considerable advances upon their previous trade.

CANADIAN DECREASES

The falling off in Canadian export business is attributed to the transfer of the South African area from the Canadian to the American plants of one of the large combinations of motor manufacturers. Whereas practically all makes of cars were formerly exported from Canada, only a single cheap vehicle is now supplied from the Dominion, and the other cars come forward from the United

States. In addition, the largest Canadian shipper, with a South African assembly plant, has experienced difficulties in the organization of his South African business, and the percentage of trade has not accrued to him which may be anticipated when arrangements are more satisfactory.

The chief reason for the transfer of business from Canadian to American plants lies in the South African Customs conception of home consumption values. It has been found that American cars may enter South Africa with duty charges of approximately 25 per cent less because of the higher home consumption values at which Canadian cars are assessed. Moreover, the disappearance of the preference upon this item has affected the business somewhat. Although the concession of 3 per cent was trivial, it was sufficient to permit a number of Canadian factories to retain export privileges in this market.

THE LIGHT CAR VOGUE

Although the imports from Great Britain and Continental Europe are small at present, there is very considerable interest in the rapid expansion of this trade. In 1924 Great Britain almost tripled the number of passenger cars supplied during the previous year, and during the first six months of 1925 she has supplied approximately as many as during the entire year of 1924. This was achieved in spite of considerably higher prices and lacking anything like the selling organization of the principal American products. The attractiveness of British and Continental agencies is beginning to appeal to leading distributors, and within a year or two it is anticipated that the distribution of the principal European lines will be upon a par with that of their American competitors.

That the success of the light car is not ephemeral is evident from the appearance upon the market of a number of American motors of limited horse-power and fuel capacity, somewhat of the type of the larger British light four-cylinder motors. To date, however, the prices of these have not represented any particular concession from the heavier makes, and they lack the distinctive qualities of the British and European models.

It is reported that for 1926 the *Morris Cowley*, the principal English light car, has contracted for more deliveries than all English cars imported during 1924. The light Austin models, *Standard*, *Rover*, *Clyne*, and *Armstrong-Siddeley*, and a number of others have likewise booked considerably increased business. Among European cars, the *Fiat* appears to be increasing its prestige most rapidly, and a particularly attractive range of colonial models in all chassis and bodies are being offered. The principal French car, the well-known *Citroen*, enjoys a very considerable trade, but is probably not as popular as when first introduced. The German *Opel*, which is the only car on the market, sells in the *Baby* types, but is not noteworthy in either quality or price.

Motor trades importers hesitate to estimate the extent to which British and European light vehicles will cut into Canadian and American trade. It is felt that the *Citroen* and the *Fiat* enjoy their present advantage largely through the position of exchange. There is a genuine appreciation of a number of the British light cars because of their excellent engineering and economy, and it is felt that Great Britain may succeed to anything between 15 and 25 per cent of the total trade through the quality of these vehicles. The adoption of colonial clearances and gauges by a number of the British makers has been finally effected and British prices have improved sufficiently to bring many makes within striking distance of their Canadian and American competitors. On the other hand, there is still considerable leeway for Great Britain to make up, and as her motor companies lack the financial and commercial prestige of the great American organizations, the immediate competition need not be unduly feared.

For some years now a glut of motor cars has been anticipated owing to production expanding more rapidly than purchasing power, but to date no such saturation has become evident in South Africa. Bit by bit the used car is making

the sale of new vehicles more difficult, but it is believed that when the used car trade becomes better organized and reaches further afield there will be no difficulty in placing second-hand vehicles in areas where new cars could not be sold at present. But as elsewhere the motor car demand is so completely affiliated with the general prosperity of the country that the market for second-hand cars really depends on no other factor. If a third good year should materialize in 1926, it is certain that the rural areas will absorb all used cars which are available and will greatly increase their takings of new vehicles as well.

The real difficulty which the South African motor trade is experiencing is in meeting the demands of the manufacturers for greater service at smaller profits. As noted heretofore, the pressure of the manufacturers has resulted in considerable cuts in dealers' and sub-dealers' profits, and at present the distributors of more than one motor car are in rebellious mood because advance contracts specify further cuts. The dealers claim, with considerable truth, that the large distances and sparse population necessitates a greater percentage of profit, particularly in view of the institution of instalment payments; and that in spite of increased business, automobile selling is less profitable than it should be. Because of the steadily climbing business of the past two years, these complaints have not become general, but should a bad season intervene at this juncture the motor car distributors will have a lean time of it.

MOTOR TRUCKS

The following are the detailed statistics of motor truck imports during 1923 and 1924:—

	1924		1923	
	No.	Value	No.	Value
Great Britain	143	25,130	72	45,686
Canada	757	65,483	40	4,626
United States	459	93,996	173	37,399
Other countries	4	1,302	9	3,636
Totals	1,363	185,911	299	91,344

A glance at the statistics show that an astonishing increase has taken place in a single year. This reawakening of interest in commercial vehicles was overdue, but was retarded by the general business depression. It is probable that 1925 will show an equally remarkable increase.

It is also interesting to note from the statistics that either enormous reductions in price have occurred or else much cheaper types of vehicles are being imported. Both circumstances contribute, but the reduction in unit value is largely due to the year's business having been in light trucks. The unit value of American trucks imported was £205, of British trucks £175, and of Canadian trucks £86. This Canadian valuation requires explanation. Practically all Canadian trucks imported are Fords, upon which a considerable amount of finishing work is done at the South African Ford assembly plant. This circumstance is of course contributory to the general reduction in unit values.

The British light truck came with the light car. *Morris* and *Trojan* trucks are predominant among these imports. The latter-named vehicle has been particularly successful, being furnished with either solid or pneumatic tires, at a very advantageous price.

The expansion in motor truck business has been so marked that one or two American manufacturers have sent out factory representatives to specialize in this department of their business, during the expansion period at least. Yet it is a very difficult matter to place motor truck agencies as such an agency neces-

sitates extra financing of which distributors are chary at the moment, in spite of the increasing business. If Canadian firms in a position to sell motor trucks in South Africa could arrange to finance their sales in New York or in Canada, the task of introducing their vehicles would be much easier. Otherwise, there are too many truck representatives already active in the field to make a new agency attractive.

In connection with commercial vehicles, attention should be called to page 674 of the *Commercial Intelligence Journal* of December 26, No. 1143, with reference to steam wagons. This form of traction is becoming increasingly popular, particularly upon the high veld and in the neighbourhood of coal fields. Moreover, these vehicles are exempted from the duty which motor trucks pay, entering South Africa free. They represent a cheap and reliable transportation medium, and in the neighbourhood of the large towns they are beginning to compete with the railways in short-haul traffic. They would appear to be built nowhere except in Great Britain, as no imports have been forthcoming from other sources to date. It is true that in 1924 entries were noted from the United States, but these entries must be customs errors, as the average value is far below that at which any steam wagon could be supplied.

To date, the limited mileage of good surfaced roads has restricted the imports of trailers. It seems probable, however, that better business will result in the future, particularly in the Transvaal, where active efforts for the improvement of the roads are most manifest. If the motor truck is to compete with the steam wagon, trailers will be a necessity, as they are part of the standard equipment of the steam vehicle. Repeated efforts have been made during the past year to introduce a Canadian trailer, but to date the British offerings have controlled the market, being more attractively priced.

The import of tractors revived for the first time since 1921 in 1924, 167 tractors of a value of £31,602 having been brought in in that year as against negligible imports in 1923. Of the imports, 156 were credited to the United States and none to Canada. The Ford Company has been organizing travelling displays of Fordson tractors during the past year, and it seems probable that increased business may be anticipated for some time to come.

MOTOR CYCLES

The following were the imports of motor cycles for both years under review:—

	1924		1923	
	No.	Value	No.	Value
Great Britain	2,374	119,674	1,386	79,326
United States	869	48,185	728	38,073
Other suppliers	3	68	56	2,868
Totals	3,246	167,927	2,170	120,267

The average value of motor cycles imported was £52 each, a figure which explains the considerable increase which accrued to Great Britain. As in the case of cars and trucks, the demand is swinging to light motor cycles, and the increased imports consisted largely of low-powered inexpensive machines of the type which are only manufactured in Great Britain. One of the principal American companies brought out a baby machine during the year to meet this competition, and has been fairly successful with it; but there will be no supplanting the many excellent makes of lightweight English cycles. At least three-quarters of this trade may be regarded as permanently British. The popularity of motor cycles is increasing at perhaps a more rapid rate than any other motor vehicle, and more business can be anticipated for several years to come.

ECONOMIC CONDITIONS IN JAMAICA

F. L. CASSERLY, OFFICE OF THE TRADE COMMISSIONER

Kingston, January 30, 1926.—On the whole general business conditions in Jamaica are fairly satisfactory and public revenue collections, which are an index to the community's general prosperity, have improved of late. So far as quantities were concerned, the year 1925 was a very good one for the island's export trade, and the prospects for the present year are at least equally favourable. Producers, however, have not been satisfied with the prices paid. Present f.o.b. values of the principal items of export are approximately as follows: sugar, refining crystals, basis 96 degrees polariscope test, per English ton, £14; rum, per imperial liquid gallon (good ordinary), 3s. 6d.; bananas, per count stem, 2d.; coconuts, per 100 nuts, 8s.

INDUSTRIAL ENTERPRISES

The large new sugar factory which a British syndicate has been building in the eastern part of Jamaica is now complete, and is expected to start grinding in about a month's time.

Among the Government undertakings the extension of the sewerage system in Kingston and the reconstruction of the streets have been held up for some weeks past owing to official investigations into the cost and the quality of the work. It has been found that the ultimate cost will be greater than at first anticipated, but work will be resumed at an early date. The installation of the new telephone system in Kingston, the franchise for which was awarded to a local concern, has been commenced.

TOURIST TRADE

During the past few weeks some thousands of tourists, chiefly from the United States, have visited the island and spent a good deal of money. Jamaica possesses, in addition to scenic and climatic attractions, some valuable assets in the shape of mineral springs of high radio-active power, but unfortunately these are not exploited on anything like the lines of the spas in Europe and elsewhere. There is a growing sentiment that a serious effort should be made to attract greater numbers of health seekers from abroad.

ECONOMIC CONDITIONS IN BELGIUM

TRADE COMMISSIONER YVES LAMONTAGNE

Brussels, January 30, 1926.—While the year began with a very dark outlook generally, the present conditions indicate that a renewal of activity will take place in the Belgian industrial markets. Floods at the beginning of the month caused damages running into millions of francs and resulted in the temporary closing of a number of important industrial plants and serious interference with shipping in the river and canal areas, thereby delaying the delivery of supplies.

The bright features of the month, however, were the averting of a general strike in the coal mines and the restarting of work in the metallurgical industries of the Charleroi area.

BASIC INDUSTRIES

As regards the coal industry, while the miners have agreed to the proposal to accept a 3 per cent cut in wages, it remains to be seen whether a new basis of agreement can be found whereby wages can be adjusted in accordance with the cost of living and the selling price of coal. The situation is better, with demand improving and prices firm.

The strike in the metal industries of the Charleroi district, which began in June last, seems to be nearing an end, and many firms have reopened their works. Coke ovens, blast furnaces, and rolling mills which have been idle since the summer are again commencing operations. How greatly the country was affected by this long period of inactivity can be gathered from the fact that during the seven months' strike it is estimated that about 91,000,000 francs in wages have been lost to the metal workers, while state railway receipts have been reduced approximately 150,000,000 francs and from 500,000,000 to 600,000,000 francs worth of orders have gone elsewhere. It is expected that the new production will be absorbed gradually, causing little effect upon prices of iron and steel. The present tendency is towards stabilization, and there is a sentiment of optimism in these markets.

In the building and construction industries orders are insufficient and many establishments are operating with greatly reduced personnel. Compressions in the Government budget have reduced expenditure in this branch and the outlook is uncertain.

In the glass industries the situation is satisfactory as regards plateglass, for which there is an increasing demand. The production in this industry, which was 66 per cent of the total capacity in July last, increased to 72.5 per cent in October and has been fixed at 83 per cent for the first quarter of the year. In the ordinary window glass trade a seasonal weakness is evident.

FINANCE

In the stock exchange the trade in futures remained active during the month and the spot market has been rather quiet. Government stocks have improved considerably and remain firm. Conditions are easier in the money market and day to day money is available at $4\frac{1}{2}$ to 5 per cent.

It is worthy of note that the efforts made by the Belgian Government to stabilize the franc appear to have been altogether successful. Events during the last few months have greatly contributed to convince the Belgian public of the necessity of checking the fluctuation of their currency. It need only be remarked that the Belgian franc was disassociated from the French franc in October last and instead of depreciating in sympathy with it, its value for the past four months has remained practically constant at approximately 22 francs to the dollar. There are still some difficulties ahead, however, which will have to be overcome when they arise. On the whole Belgian credit is much better than was hoped for at the time the measures were first taken, and confidence in the policy of the Government is very necessary at the present moment.

SHIPPING

The trade of the port of Antwerp continues to increase owing chiefly to the excellent facilities provided and the economical costs of handling cargoes. During the year 1925, 9,971 vessels entered the port, with a record total tonnage of 20.2 million tons, as against 9,709 vessels of 19.3 million tons in the previous year.

Antwerp has always been the port of call of nearly all the regular steamship lines, and in 1925 the nationality of the vessels entering was as follows: British, 4,249 vessels; German, 1,439; Belgian, 866; French, 750; Dutch, 595; Norwegian, 591; Swedish, 421; Danish, 342; American, 164; Japanese, 103; and Italian, 91.

A comparison between the three great continental ports gives the following tonnage: 1913—Antwerp, 14.1 million tons; Rotterdam, 13.3 million; and Hamburg, 14 million. In 1925: Antwerp, 20.2 million tons; Rotterdam, 16.7 million; and Hamburg, 16.6 million. However, as the methods of measurement vary in Antwerp and Rotterdam, the tonnage in Antwerp must be reduced about 15 per cent, giving 17.1 million tons for the past year, which still leaves Antwerp well in the lead of its two great rivals by over 400,000 tons.

CUBAN MARKET FOR PATENT MEDICINES

A. E. FORTINGTON

Havana, February 3, 1926.—In Cuba there is an unusually heavy demand for patent medicines of various kinds and consequently Canadian manufacturers of these goods would be well advised to give that market careful consideration.

The illness most commonly encountered are those of nervous debility, lassitude, tuberculosis, stomach disorders, and colds, and it is a frequent occurrence for Cuban doctors to prescribe a patent medicine in preference to a druggist's prescription.

Among other patent medicines, there is, owing to the presence of mosquitoes, an excellent market for any reliable liniment, the application of which will remove the ill effect of the bite. The demand for such an article is unusually large, particularly at Santiago and other towns in the province of Oriente (the eastern section of the island).

Patent medicines for Cuba should be placed in small bottles adaptable for pocket use and not to exceed eight fluid ounces in capacity. The smaller the bottle, the greater will preference be for it. Trial samples for distribution throughout the trade will facilitate the development of the market as this would be the best method whereby the consuming public can subject the medicine to practical test. If satisfactory results are obtained the product will be rapidly advertised by favourable public comment.

As a preliminary step to entering the market it would be necessary to obtain a commission agent or importer in Havana who is experienced in the drug trade and preferably one who has facilities for effecting sales in the other towns throughout the island. With this accomplished, the Cuban representative should be furnished with a trial consignment to be supported by extensive advertising in the Spanish and English press, leaflets for distribution over drug store counters, or through letter boxes. Such literature as well as labels, directions for using, etc., should be printed in Spanish.

As regards terms, large firms buying for their own account will usually pay cash but Canadian exporters should be prepared to allow any period up to 90 days.

JAPAN'S FOREIGN TRADE IN 1925

Japan's foreign trade for 1925 was the largest in the history of the country with exports valued at \$945,884,584 and imports of \$1,054,939,766, an increase over 1924 of nearly \$205,200,000 and \$48,017,000, respectively, according to a statement published by the Department of Commerce, Washington.

Declared exports to the United States reached a total value of \$400,616,000, or 42.3 per cent of the total Japanese exports, and represents an increase of nearly one-third in comparison with the preceding year. This increase was due almost entirely to raw silk shipments. The United States also continued to be the most important source of Japan's imports, although the total valuation of \$246,078,000, or 23.4 per cent of the total imports, represents a decline of 2.5 per cent compared with the same period of 1924.

Canada's exports to Japan during 1925 amounted to \$25,675,012, which represents 2.4 per cent of Japan's entire imports. Japanese exports to Canada for the same period totalled \$8,578,746, comprising 0.9 per cent of the total export trade.

During 1925 Japan's export trade was favourably influenced by exchange, which continued during the greater part of the year to be from 15 per cent to 20 per cent below par. The average for the period was \$0.4014, compared with \$0.4119 in 1924 against a par of \$0.4985. Other factors were the favourable conditions obtaining in American and Asiatic markets.

The outstanding feature of the export trade was the unprecedentedly heavy shipments of raw silk, which totalled 58,445,000 pounds valued at \$361,431,072, according to preliminary returns. This represents gains over 1924 of 8,783,400 pounds and \$78,399,400 in quantity and value, respectively. Of this amount, 56,382,000 pounds, or approximately 95 per cent, went to the United States. Cotton textiles also had a banner year, the total valuation having been \$177,703,000, an increase of 32 per cent over 1924.

The principal import commodities showed a remarkable jump, especially in raw cotton and rice, and more or less substantial declines in nearly every other item. Completion of reconstruction has caused a decline in imports of iron and steel materials and lumber. Currency depreciation and a movement to encourage home industry have been additional factors contributing to those declines.

SAMPLE FAIR AT MILAN, ITALY

The Royal Consul General of Italy at Montreal writes, under date of February 16, that the annual Sample Fair at Milan will, as usual, be held during the month of April of this year. The Fair has the support of the Italian Government and all the commercial and industrial associations in the country, and judging by the number of applications for entry which has already been received, it should, this year, rank high among all international fairs which have been held up to the present.

Italy is an important buyer of Canadian goods and it may be that Canadian manufacturers and merchants will wish to take advantage of this opportunity to assist in increasing the trade between the two countries. Full information may be obtained from the Royal Consul General of Italy, Montreal, or from the Italian Consul at Ottawa.

REGISTRATION OF TRADE MARKS IN CHINA

Under date of January 23, 1926, Mr. L. M. Cosgrave, Trade Commissioner in Shanghai, China, writes that the Chinese Government Bureau has officially advised that the date for registration of trade marks has been extended to June 30, 1926.

The regulations for registration of trade marks with the Chinese Government Trade Marks Bureau was outlined in *Commercial Intelligence Journal* No. 1114, of June 6, 1925.

TENDERS FOR STEAMSHIP SERVICE BETWEEN CANADA AND BRITISH WEST INDIES

Under date of January 25, 1926, the Department of Trade and Commerce has issued a call for tenders for steamship or motor-ship service between Canada, the British West Indies, Bermuda, British Guiana and British Honduras.

The services to be tendered for are as specified in the Canada-West Indies Trade Agreement of 1925, and tenders will be received at the office of the Deputy Minister of Trade and Commerce until noon of April 6, 1926.

The services comprise a fortnightly passenger, freight and mail service, alternating with a fortnightly freight service on the eastern route between Canada, Barbados, Trinidad, and Demerara, calling at way ports, and a fortnightly mail, passenger and freight service on the western route between Canada and Jamaica, calling at way ports, alternating with a fortnightly freight service between Canada and Jamaica direct.

In addition to the above a small steamer is to be supplied for a fortnightly service between Jamaica and British Honduras, connecting with the direct Canadian passenger service at Jamaica. Alternative tenders may be submitted for either or both services, including calls at one port in the United States in one or both directions.

Further particulars, including tender forms, etc., will be supplied on application to the Deputy Minister, Department of Trade and Commerce, Ottawa.

DUTCH MARKET FOR SITKA SPRUCE

TRADE COMMISSIONER FREDERICK H. PALMER

Rotterdam, January 20, 1926.—If existing conditions continue it is extremely doubtful if the Dutch market for sitka spruce is capable of development to any appreciable dimensions. The first consideration of a consumer is naturally given to the purpose to which the timber would be put, and to all intents and purposes sitka spruce is not at all known in the Netherlands as being suitable for many purposes, but chiefly understood and demanded as aeroplane spruce.

For a country as limited in area as Holland is, the aeroplane designing, building, and operating industry is extremely well developed and of a size more than adequate to the country's needs. Canadian aeroplane spruce, as it is called, and its many superlative qualities are perfectly familiar to Dutch aircraft designers and builders, but seldom, if ever, is this commodity imported direct from Canada to Holland. There are many reasons for this indirect method of securing supplies, but the two main causes for failure to receive direct are limited demand and the extra special requirements of the science here.

For example, a leading British importer of high-grade timber, with its own office in the Netherlands, was able to interest a Dutch aeroplane builder in their offers and requested him to visit London to inspect a recently arrived parcel of selected aeroplane timber, with a view to purchasing a sufficient quantity to cover immediate needs. The Dutch builder went to London and inspected the lot of aeroplane spruce that had been personally selected by the London firm's resident representative in Queen Charlotte Island and subsequently examined and passed by three other qualified inspectors of aeroplane material. The specifications of the Dutch firm were so vigorously enforced that of the whole parcel they selected only fifty planks. For this selection and for these planks they willingly paid at the rate of £250 per standard.

The practice of the Dutch consumer in so far as aeroplane spruce is concerned is therefore apparent. When he needs supplies he visits Paris or London with a representative of the importing firm and there, from the fairly large stocks of aeroplane material that are maintained in these centres, he selects the pieces he fancies. Naturally he pays a price commensurate with the high-class service he demands.

About eighteen months ago the Rotterdam branch of a London merchant brought in two parcels of sitka spruce. For one he had to ask £110 and for the other, comprising shorter lengths, he was to get £67 per standard. The parcels are still in the yards at Rotterdam.

Suggestions have been made to this merchant regarding possible uses of this sitka spruce, but its price, and it was all rejected as unfit for aeroplane stock in England, prohibits its general use, that is, to compete with other white soft woods such as regularly imported from the Baltic.

A manufacturer of racing oars took one plank and faithfully experimented with the material, but the built-up hollow oars which he produced had only one saving virtue, and that was lightness. Unfortunately this virtue was more than overshadowed by faults of weakness and lack of stiffness when compared with similar oars made of other and more usual timber.

This importing house has recently built new premises, but the sum allotted for new buildings, etc., absolutely prevented the consulting architect employed using sitka spruce for any purpose, although the whole of the shed structure was fabricated of wood. A novel truss design was used to support the roof of the sheds, a truss which, more properly speaking, is an arch built up of planks, for which purpose the use of sitka spruce would have been admirable in view of its inherent qualities.

Still more recently another importer in Amsterdam brought into Holland a parcel of "aeroplane rejects" which he anticipated disposing of to the Dutch aeroplane factories. It is reported that to cut his loss he would accept ordinary white wood prices if he could dispose of his holding at £20 per standard.

The above remarks show that the obvious obstacle to a development of a general market for sitka spruce in the Netherlands is undoubtedly its price. And it must be borne steadily in mind that even if its laid down in Holland prices were more attractive, more than a little spade work would have to be undertaken to prove the value of the timber to Dutch consumers. After this period of introduction would then come the real testing time of a Canadian exporter of sitka spruce when he would meet the combined strength of the well-organized Scandinavian shippers of the Scandinavian white soft woods.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING FEBRUARY 22, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending February 22, 1926. Those for the week ending February 15, 1926, are also given for the sake of comparison.

	Parity	Week Ending	
		February 15, 1926	February 22, 1926
Britain	1.00	\$4.86	\$4.8637
Czecho-Slovakia	1.	.203	.0296
France	1.	.193	.0365
Italy	1.	.193	.0404
Holland	1.	.402	.4007
Belgium	1.	.193	.0455
Spain	1.	.193	.1408
Portugal	1.	1.08	.0515
Switzerland	1.	.193	.1927
Germany.. .. .	1.	.238	.2382
Greece	1.	.193	.0144
Norway.. .. .	1.	.268	.2068
Sweden.. .. .	1.	.268	.2680
Denmark	1.	.268	.2598
Japan	1.	.498	.4520
India	1.	2s.	.3690
United States	1.	\$1.00	1.0037
Mexico.. .. .	1.	.498	.4855
Argentina	1.	.424	.4100
Brazil	1.	.324	.1475
Roumania	1.	.193	.....
Jamaica	1.	4.86	4.8850
British Guiana	1.	1.	4.8850
Barbados.. .. .	1.	1.	
Trinidad	1.	1.	
Dominica	1.	1.	
St. Kitts	1.	1.	
Grenada.. .. .	1.	1.	
St. Vincent.. .. .	1.	1.	
Tobago	1.	1.	
Shanghai, China.. .. .	1.	.708	.7500
Batavia, Java	1.	.402	.4037
Peru.. .. .	1.	4.864	3.8400
Singapore, Straits Settlements .. \$	1.	.567	.5737

1.0062—1.0187 1.0062—1.0187

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

146. FLOUR.—A Bristol brokerage firm would like to represent Canadian millers who will ship flour to them on consignment.

147. BUTTER.—An old-established firm in Yokohama are anxious to form a connection for butter. Will all interested firms kindly communicate with the concern in question.

148. CHEESE.—An old-established firm in Yokohama are anxious to form a connection for cheese. Will all interested firms kindly communicate with the concern in question.

149. CANNED AND EVAPORATED FRUITS, CANNED FISH, HONEY.—A London firm of produce brokers, who are already handling canned and dried fruits, would be glad to represent upon a commission basis Canadian packers of canned and evaporated fruits, canned fish, and also honey.

150. CANNED GOODS.—A commission agent in Hamburg, Germany, wishes to get connections with Canadian exporters of canned fruits and other canned goods.

151. DRIED FRUITS.—A commission agent in Hamburg wishes to get connections with Canadian exporters of dried fruits.

152. DRIED FRUITS.—An Amsterdam firm interested in dried fruits, particularly dried apples, would be glad to represent a Canadian exporter in the Netherlands.

153. DRIED FRUITS.—An Amsterdam concern would be glad to hear from Canadian exporters of dried fruits.

154. HONEY.—A broker in Hamburg wishes to represent Canadian exporters of honey.

155. BACON.—An old-established firm of brokers in Bristol desire to hear from Canadian packers who will be in a position to ship mild-cured unboraxed bacon to the West of England.

156. FROZEN BEEF.—An old-established firm in Yokohama are anxious to form a connection for frozen beef. Will those Canadian firms interested kindly communicate with this firm.

157. MEAT EXTRACTS.—A commission agent in Hamburg wishes to get connections with Canadian exporters of meat extracts.

158. PICKLES.—A commission agent in Hamburg wishes to get connections with Canadian exporters of pickles.

Miscellaneous

159. HAY.—A Cardiff hay importer desires cable quotations from Canadian firms for Canadian hay containing at least 50 per cent of clover. Quotations c.i.f. Cardiff in sterling in quantities of 300 to 400 tons.

160. HEMLOCK SOLE LEATHER.—Large importing firm in Shanghai, with branches throughout China, desire samples and quotations c.i.f. China ports of red hemlock sole leather. Leather must be red in colour, bright finish, and only slightly flexible.

161. BOOT LEATHER AND SADDLERY GOODS; SOLE LEATHER; SHOE NAILS; HARNESS LEATHER AND MOUNTINGS.—A Dublin firm desire to purchase these commodities.

162. SHOE LACES.—Argentine manufacturers' agent wishes to represent Canadian manufacturers of mercerized shoe laces. Samples and quotations should be sent to the Canadian Trade Commissioner, Buenos Aires.

163. HIDES; BARK; TANNING EXTRACTS; QUEBRACHO.—A tanning and currying firm in Limerick, Irish Free State, desire to purchase these on own account.

164. HARDWARE AND GENERAL MERCHANDISE.—A Glasgow man with experience in calling upon the retail ironmongery or hardware trade and department stores is open to consider a commission agency on behalf of Canadian firms.

165. BUILDING MATERIALS.—A Dublin firm—builders' providers—are desirous of importing slates, cement, bricks, tiles, etc.

166. HOUSEHOLD FURNITURE.—A Limerick firm desire to hear from Canadian exporters of furniture with a view to purchasing on own account or acting as agents on commission.

167. LUMBER, WOODENWARE, ETC.—A firm in Limerick desire to hear from Canadian house exporting the following lines: lumber (rough and dressed), box shooks, plywood, wood-turnings—handles, clothes pins, washboards, etc. Would buy outright or act as agents on a commission basis.

168. HARDWARE, PAINTS AND VARNISHES.—Canadian exporters are requested to communicate with a Limerick house who wish to buy outright or act on a commission basis for the following lines: builders', shelf and general hardware, including bolts, nuts, wire, cut nails, enamelled kitchen ware; also paints and varnishes.

169. BUILDERS' SUPPLIES.—A Dublin firm of builders' providers are desirous of importing tiles, ironmongery, sanitary and plumbing materials, asbestos, slates and sheets, wallboard materials, road materials and builders' supplies general, paints and varnishes.

170. STEEL MATTRESS WIRE; BENTWOOD CHAIRS AND FURNITURE; CURLED HAIR (MANUFACTURED AND UNMANUFACTURED); BOLTS AND NUTS.—A Dublin firm are desirous of purchasing these commodities.

171. LUBRICATING OILS AND MOTOR OILS; PAINTS; VARNISHES; ENAMELS; PAINT AND VARNISH BRUSHES.—A Dublin firm are desirous of importing these commodities and of acting as sole agents for petrol (motor spirit) in Ireland. They would consider handling hardware or cutlery, such as would interest general merchants with whom they at present do business.

172. "KNOCK-DOWN" RADIO CABINETS.—A Bristol wholesale radio firm handling large quantities of radio equipment would like to hear from Canadian manufacturers who can offer various types of "knock-down" radio cabinets of small sizes.

173. BOX SHOOKS.—Belgian importer desires quotations c.i.f. Antwerp on fir or pine shooks $\frac{5}{8}$ inch thick, 18 inches long and over, 3 inches and more in width. Also interested in 1, 1 $\frac{1}{4}$, 1 $\frac{1}{2}$ and 2 inches thick, suitable for making boxes or packing cases.

174. PIT PROPS.—Belgian importer wishes to hear from Canadian exporters of pit props, diameter small end 4 to 6 inches. Prices c.i.f. Antwerp.

175. WALLPAPER.—A Tokyo importer desires to be placed in touch with a Canadian source of supply for wallpaper. Will those firms who are interested kindly communicate with the party concerned.

176. DAIRY EQUIPMENT.—A section of the Argentine Department of Agriculture wishes to have catalogues of Canadian dairy equipment on file for reference when inquiries are received from farmers. Catalogues should be sent in duplicate to the Canadian Trade Commissioner at Buenos Aires.

177. SILICATE OF SODA.—An Osaka, Japan, importer is interested in silicate of soda. Firms interested in exporting this commodity are requested to communicate with him.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From St. John

To LONDON.—Bosworth, March 13; Brecon, March 27—both Canadian Pacific; Canadian Aviator, March 3; Canadian Trapper, March 17—both C.G.M.M.; Verentia, Cunard Line, March 13.

To CARDIFF AND SWANSEA.—Canadian Commander, March 10; Canadian Mariner, March 24—both C.G.M.M.

To LIVERPOOL.—Metagama, March 5; Montcalm, March 12; Montclare, March 19; Montnairn, March 26—all Canadian Pacific.

To SOUTHAMPTON.—Marloch, Canadian Pacific, March 18.

To MANCHESTER.—Manchester Regiment, March 6; Manchester Producer, March 20—both Manchester Liners.

To GLASGOW.—Morevia, March 5; Gracia, March 23—both Anchor-Donaldson; Brandon, March 2; Bolingbroke, March 16—both Canadian Pacific.

To ANTWERP.—Canadian Aviator, March 3; Canadian Trapper, March 17—both C.G.M.M.; Marloch, Canadian Pacific, March 18.

To AVONMOUTH.—Parthenia, Anchor-Donaldson, March 19.

To HAVRE.—Essex County, March 6; Hastings County, March 17—both Intercontinental Transports, Ltd.

To ROTTERDAM.—Essex County, March 6; Hastings County, March 17—both Intercontinental Transports, Ltd.

To HAMBURG.—Balfour, Canadian Pacific, March 20; Grey County, Intercontinental Transports, Ltd., March 13.

To COPENHAGEN AND BALTIC PORTS.—Main, Scandinavian-American Line, March 3.

To ITALIAN PORTS.—A steamer, Lloyd Mediterraneo Italian Service, March 15.

To CUBA.—A steamer, H. E. Kane & Co., March 1.

To ST. KITTS, ANTIGUA, MONTserrat, DOMINICA, ST. LUCIA, ST. VINCENT, AND GRENADA.—Teviot, March 14; Chaudiere, March 28—both R.M.S.P. Co.

To AUSTRALIAN AND NEW ZEALAND PORTS.—Leise Maersk, New Zealand SS., March 20.

To SIERRA LEONE AND SOUTH AFRICAN PORTS.—Calgary, Elder, Dempster Co., March 15.

From Halifax

To PLYMOUTH, CHERBOURG AND LONDON.—Ausonia, Cunard Line, March 22.

To HULL.—Valemore, Furness, Withy, March 25.

To LIVERPOOL.—Rhode Island, March 9; Newfoundland, March 16—both Furness, Withy; Canada, White Star-Dominion, March 7.

To COBH (QUEENSTOWN).—Carmania, Cunard Line, March 15.

To MANCHESTER.—Manchester Commerce, March 1; Manchester Regiment, March 9; Manchester Merchant, March 15—all Furness, Withy.

To LONDON.—Hoosac, March 9; Valemore, March 25—both Furness, Withy.

To ST. JOHN'S, Nfld.—Newfoundland, Furness, Withy, March 16.

To BERMUDA, ST. KITTS, ANTIGUA, MONTserrat, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Chignecto, March 12; Teviot, March 26—both R.M.S.P. Co.

To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Forester, C.G.M.M., March 20.

To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD, DEMERARA AND GUADELOUPE.—Canadian Carrier, C.G.M.M., March 5.

To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Runner, C.G.M.M., March 19.

To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, Feb. 24.

To SANTIAGO, KINGSTON AND MONTEGO.—Andalusia, Pickford & Black, March 10.

To NEW ZEALAND PORTS.—Canadian Britisher, C.G.M.M., March 25.

From Vancouver

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Russia, Canadian Pacific, March 6.

To YOKOHAMA, KOBE, SHANGHAI AND NAGASAKI.—Arabia Maru, Osaka Shosen Kaisha, March 16.

To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Paris Maru, Osaka Shosen Kaisha, March 2.

To YOKOHAMA, KOBE, SHANGHAI AND HONG KONG.—Empress of Australia, Canadian Pacific, March 20.

To YOKOHAMA, KOBE AND HONG KONG.—Philoctetes, Blue Funnel, March 11.

To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Aorangi, Canadian-Australasian Line, March 10.

To WEST COAST UNITED KINGDOM PORTS.—Canadian Freighter, C.G.M.M., March 25.

To LONDON.—Canadian Winner, C.G.M.M., March 10.

To MANCHESTER.—Pacific Commerce, March 5; London Importer, March 11—both Furness Line.

To BORDEAUX, HAVRE AND ANTWERP.—Nevada, March 8; Georgia, March 13—both Cie. Gle. Transatlantique (French Line).

To ANTWERP.—Glamorganshire, North Pacific Coast Line, late February; Canadian Winner, C.G.M.M., March 10.

To HAMBURG.—Glamorganshire, North Pacific Coast Line, late February.

To ROTTERDAM.—Glamorganshire, North Pacific Coast Line, late February.

To HAVRE.—Glamorganshire, North Pacific Coast Line, late February.

To GENOA, NAPLES, LEGHORN AND TRIESTE.—Piave II., Navigazione Libera Triestina, March 15.

To WEST INDIES AND EAST COAST OF SOUTH AMERICA.—West Notus, Pacific-Argentine-Brazil Line, early March.

To BAHIA BLANCA, MONTEVIDEO AND BUENOS AIRES.—Leikanger, East Coast South America Service, late February.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

H. R. Poussette. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

P. W. Cook. Address for letters—P. O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300, Office—North China Daily News Building, 17 The Bund, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Gutrufhaus, Neuerwall 10, Hamburg. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czechoslovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watermill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230; office, Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

Netherlands East Indies

R. S. O'Meara, P. O. Box 84, Batavia, Java. (Territory covers Straits Settlements, British Borneo, Netherlands East Indies, and Siam.) *Cable Address, Canadian.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P. O. Box 683; Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia). *Cable Address, Sleighing, London.*

J. Forsyth Smith, Century Bldgs., 31 North John street, Liverpool. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales). *Cable Address, Cantracom.*

Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands). *Cable Address, Canadian.*

Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

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Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, March 6, 1926

No. 1153

TABLE OF CONTENTS

	Page		Page
Review of German Trade Conditions in 1925	297	Economic Conditions in Bermuda	318
Trade of the United Kingdom by Countries during 1925	304	Commercial Notes from New South Wales—Trade Prospects	319
Market for Diatomaceous Earth in North of England	309	Motor Car Trade	319
Trade Commissioner H. R. Pousette's forthcoming Visit to Canada	310	44-Hour Week now Legal	320
West of England Flour Market	311	Economic Conditions in the Netherlands	320
Glasgow Produce Market	313	Economic Conditions in Italy	321
Tenders Invited—Australia	314	Motor Car Trade in China	322
Importation of Wheat into New Zealand . .	314	Trade Inquiries for Canadian Products . .	324
Summary of the Trade of Canada: Month, Ten Months, and Twelve Months ending January, 1926	315	Foreign Exchange Quotations for the Week ending March 1, 1926	326
External Trade of South Africa—Part XIII—Continued	316	Proposed Sailings from Canadian Ports . . .	326
		Commercial Intelligence Service	328

REVIEW OF GERMAN TRADE CONDITIONS IN 1925

TRADE COMMISSIONER L. D. WILGRESS

Hamburg, January 15, 1926.—Business conditions in Germany during the year 1925 were characterized by fairly satisfactory and increasing trade and industrial activity in the first six months, followed by the rapid development of acute depression in the closing months of the year. Thus, there was a steady decline in unemployment from February to July. The figures of unemployment slightly increased during the next three months, while in November and December this tendency became very marked and the number of registered unemployed in receipt of support rose rapidly until on January 1, 1926, the figure stood at 1,485,831. Similarly the number of bankruptcies, which during the first eight months of the year averaged 763 a month, showed a great increase during the last months of the year, the figure for December being 1,660.

The present crisis in German business is the result of shortage of working capital and of insufficiency of markets. In another sense it is the readjustment of the new conditions based on the Dawes Plan and the liquidation of the consequences of the currency inflation. It is therefore a process of eliminating the weaker concerns and rectifying the over-organization of German business which developed during the inflation.

Ever since the spring of 1924 there has been an acute shortage of working capital in Germany, resulting in high rates of interest. The position was mitigated to some extent after the adoption of the Dawes Plan by foreign loans and credits, which served to give a temporary impetus to production noticeable during the autumn of 1924 and the first half of last year. Long-term foreign credits, however, were chiefly available to the larger industrial companies and

the bulk of German production and distribution had to rely upon short-term credits. This led to an inordinate amount of short-term credit operations not only by industrial and distributing companies, but also by agriculture. Over-production, the decline in the absorbing capacity of the home market, the slow development of export trade, and the impossibility of rapid amortization of the large volume of short-term credits have brought about the present crisis, the feature of which is the large number of insolvencies and the plethora of acceptances.

The present trade depression has served to emphasize the reduced purchasing power of the German market, due to the low level of wages and salaries. It has now become fully realized that the large purchasing of imported supplies by Germany during the winter of 1924 and to a lesser extent last year was the result of abnormal conditions brought about by the sudden transition to a stabilized currency.

Import trade during the past year closely followed the curve of general trade and industrial activity. Due to the poor crop in 1924, imports of grain and flour were heavy during the first half of the year, while the trade in other food products was maintained. The activity of industry led to considerable importations of raw materials during the first part of the year. There was a slight falling off in the import trade during the early summer, but in August and September large importations of flour, butter, canned milk, meat, lard and other foodstuffs took place in anticipation of the imposition of the duties. In the closing months of the year import trade experienced the consequences of the economic crisis and of the increase in unemployment. Owing to the good harvest, Germany will not require to import this season the large quantity of grain which was necessary last year.

The excess of the value of imports of merchandise over export during 1925 amounted to \$865,000,000, imports being valued at \$2,960,000,000 and exports at \$2,095,000,000. As compared with the previous year, merchandise imports show an increase in total value of 35 per cent and merchandise exports an increase of 34 per cent. The unfavourable balance of trade was probably in a large measure financed by foreign credits. December was the only month of 1925 to show a favourable balance of trade and this was brought about chiefly by a decrease in the imports of raw materials. Exports showed a tendency to slowly increase throughout the year, and in spite of the trade depression the value of exports in December was above the average monthly value for the year. This slow but steady development of German export trade is the most satisfactory feature of last year's trade returns.

It is difficult to judge the future prospects for trade with Germany. Extreme fluctuations have characterized German business since the inflation period, and this leads to the expectation that the present depression will not be protracted. On the other hand, the economic crisis has shown that productive activity of Germany is in excess of present available outlets. An increase in the absorbing capacity of the home market would appear dependent upon the further large investment of foreign capital. The favourable factors of the present outlook appear to be the gradual decline in discount rates, the more efficient organization of German industry and trade with the elimination of weaker concerns, and the steady development of export trade. It is probable that through the latter factor a liquidation of the present crisis will be brought about.

In view of the above circumstances it is doubtful if the volume of Canadian exports to Germany will be as large in 1926 as was the case last year. On the other hand, Canada supplies the foodstuffs and minerals which Germany cannot dispense with, so that the German market should continue to provide a valuable outlet for many of the surplus products which the Dominion has available for export.

RECORD OF TRADE DEVELOPMENT

There has been a steady expansion of Canadian exports to Germany since the war, as the following table taken from the Canadian trade returns will indicate:—

Canadian Trade with Germany

	1922	Twelve months ending November,		
		1923	1924	1925
Imports from Germany.. . . .	\$1,899,680	\$ 4,953,615	\$ 6,647,795	\$ 8,512,375
Exports to Germany.. . . .	7,049,008	13,081,536	24,940,046	31,772,885

It will be seen from the above table that the trade exchange with Germany is distinctly favourable to Canada.

Germany now ranks as the third largest market for Canadian products, coming directly after the United States and Great Britain. This may be seen from the following table of the total value of Canadian products exported to the eight chief markets during the twelve months ending November, 1925:—

United States.. . . .	\$469,823,922
United Kingdom.. . . .	458,031,749
Germany.. . . .	31,772,885
Japan.. . . .	22,754,879
Netherlands.. . . .	21,627,296
Belgium.. . . .	21,491,905
New Zealand.. . . .	15,997,981
Russia.. . . .	14,603,533

Canadian exports to Germany therefore exceed by nine million dollars the value of the exports to the next largest market. In addition a considerable part of the Canadian goods shipped to the Netherlands and a part of those exported to Belgium are eventually consumed in Germany. These two countries occupy fifth and sixth places respectively in the above table. This will serve to indicate the importance of the German market to the export trade of Canada during the past year.

FLOUR

The most important share in the rapid expansion of Canadian exports to Germany has been contributed by flour, which accounted for 32.3 per cent of the total value of Canadian exports to this country in the twelve months ending last October as compared with 63 per cent in the same period a year previously. The following table of the quantity and value of Canadian flour exported to Germany in the last four years will indicate the marked development of this trade:—

EXPORTS OF CANADIAN FLOUR TO GERMANY

	1922	Twelve months ending October		
		1923	1924	1925
Quantity, barrels.. . . .	\$ 137,258	\$ 1,298,623	\$ 2,710,421	\$ 1,500,345
Value.. . . .	771,471	7,358,201	14,588,412	10,591,997

In the last two years Germany has ranked as the second largest market for Canadian flour after the United Kingdom. This represents an advance from tenth place in 1922. Shipments to Germany accounted for 15 per cent of the total exports of Canadian flour in the twelve months ending last October. Following the imposition of the German flour duty on September 1st., the exports of Canadian flour to Germany showed great decreases in September and October as compared with the same months of 1924, when very large shipments took place. This chiefly accounts for the falling off in flour exports to Germany in 1925 as compared with the previous year.

The German trade returns show a total importation of wheat flour in the eleven months ending last November amounting to 388,366 metric tons, of which all except 39,000 tons was imported before the duty was imposed. The United States is given as the chief source of supply with 177,292 tons, France next with

63,572 tons, Holland with 42,684 tons, Great Britain with 24,070 tons and Canada fifth with 22,538 tons. Since about half the Canadian flour exported to Germany is shipped from ports in the United States, the German trade returns credit the latter country with a large proportion of the Canadian flour imported. Canadian flour is also re-exported to Germany from Holland and hence credited to that country in the German returns. A further discrepancy between the Canadian and German trade returns arises from the fact that part of the flour shipped to the Hamburg Free Port from Canada and credited to Germany in the Canadian returns is re-exported to Czecho-Slovakia, Poland and other neighbouring countries.

GRAIN

Wheat and rye accounted for 26 per cent of the total export of Canadian products to Germany during the twelve months ending October, 1925, so that flour and bread grains together comprised over 58 per cent of Canadian trade with Germany during the past year as compared with 76 per cent in 1924. The increase in the value of wheat exported to Germany has compensated for the falling off in the total value of flour exports to this market. The following table will indicate the increase of the exports of wheat and rye to Germany as compared with previous years:—

CANADIAN EXPORTS OF WHEAT AND RYE TO GERMANY

	Twelve months ending October,		
	1923	1924	1925
Wheat, bushels.. . . .	1,817,990	1,907,929	4,721,626
" \$	2,251,633	2,349,664	7,436,907
Rye, bushels.. . . .	488,463	920,645	1,054,859
" \$	353,640	754,411	1,127,095

In the case of both of the above grains, the largest exports took place in the summer before the agricultural duties were imposed. No rye was shipped to Germany after the duty on grain went into force, but the exports of wheat are being maintained. In view of the good harvest last year German requirements for bread grains should not be so large as last year, but owing to the development of wheat exports from Germany under the system of duty drawbacks, which is in effect a bounty on export, there should be a permanent demand for hard Canadian wheat to replace the German wheat exported to other countries.

Exports of oats from Canada to Germany in the twelve months ending last October amounted to 6,447,777 bushels of a total value of \$4,222,909, while 1,161,826 bushels of barley of a total value of \$1,046,844 were exported to this market in the same period. The exports of these two grains represents a distinct gain over the previous year, when only small quantities were shipped to Germany. Together the value of the oats and barley shipped accounted for 16 per cent of the total value of the Canadian exports to Germany in the period mentioned.

The bulk of the oats exported to Germany last year were shipped during the spring and summer. Some barley has been exported since the agricultural duties went into effect.

DAIRY PRODUCTS

The German market has provided an important outlet for Canadian dairy produce during the past year and over two million dollars worth of butter, cheese, canned milk and milk powder have been exported to this market from Canada.

The Canadian product, which has made the most progress in sales to Germany, is cheese, the value of the exports during the twelve months ending last October being \$948,772 as compared with \$60,825 in the same period of 1924. The bulk of this export has been comprised of compressed cheese, for which Germany has proved an exceptional outlet. The discrimination in the new duties against cheese in single packages has not affected the trade in compressed cheese to any considerable extent. More serious, so far as the export

from Canada is concerned, has been the efforts of Holland and other countries to engage in this trade and the location of factories in England by the companies who have been most prominent in developing the export of compressed cheese from Canada.

Fairly large quantities of Canadian butter were shipped to Germany in the months of August and September, when considerable importations took place in anticipation of the imposition of the duty. The Canadian returns show an export of butter to Germany during the seven months ending last October of 867,370 pounds valued at \$370,020. The German returns give an import from Canada of 2,295,920 pounds out of a total importation of 198,925,100 pounds in the eleven months ending November, 1925. The leading western brands of Canadian butter have won an excellent reputation in Germany and it may be expected that in the late summer and autumn of each year this market will take important quantities, as in spite of the duty Germany will probably require to import butter for many years.

Unsweetened evaporated milk has become one of the most important articles of Canadian export to Germany, but with the imposition of the high duty on October 1st this trade has become considerably restricted. Exports of canned milk from Canada to Germany in the twelve months ending October last were valued at \$690,945 as compared with \$670,457 in the same period last year. The export of milk powder was valued at \$138,308 in the twelve months ending last October as compared with \$374,309 a year previously. The export of milk powder to Germany has also been adversely affected by the new tariff.

HONEY

Ontario honey has been introduced into the German market and has met with a good reception, but the sales are not yet large owing to the keen competition from Chile, Guatemala and California. In the seven months ending last October Canada exported to this country 248,218 pounds of honey valued at \$26,376.

FRUIT

The 1924-25 season witnessed the revival of direct shipments of apples from Canada to the Hamburg market. Small consignments of British Columbia apples arrived last winter. This winter a shipment of some 20,000 boxes of British Columbia Jonathans arrived in November, but as their condition was a little soft the prices realized on the auctions were not satisfactory. Some further consignments are arriving from British Columbia, but as there is a discrimination in duty of about 38 cents a box on Canadian as against United States apples the sale of the former to buyers in Germany at satisfactory prices is difficult. If it was not for the discrimination in duty, Germany might provide a more important outlet for British Columbia apples as they enjoy a good reputation on the Hamburg market and are preferred to the majority of apples shipped under United States brands.

Enlarged exports of evaporated apple rings have taken place this season from Canada to Germany and new connection have been established for this trade. Germany may be said to constitute the most important foreign market for dried and evaporated fruits. In the twelve months ending last October the exports of dried and evaporated apples from Canada to Germany amounted to 303,675 pounds valued at \$35,172.

PACKING HOUSE PRODUCTS

Germany continues to provide a valuable outlet for various surplus products of Canadian packing houses. During the twelve months ending October, 1925, there was exported to this market from Canada \$330,621 worth of lard as

compared with \$412,825 in the previous year; sausage casings to the value of \$234,462 as against \$145,945; animal oils valued at \$35,050 as against \$17,597; frozen beef valued at \$153,136 as against \$3,891; pork valued at \$15,836 as against \$25,335; pickled pork to the value of \$8,056; and other meats valued at \$151,035 as compared with \$120,462. The re-imposition of the duties on agricultural products may be said to have had little effect so far on the trade in packing house products with the possible exception of the bacon trade.

FISH PRODUCTS

The trade in mild-cured salmon from British Columbia continued active throughout most of the past year and exports from Canada to Germany in the twelve months ending last October were valued at \$52,405 as compared with \$40,546 in the same period a year previously. The trade is mostly in the hands of the buying agents of German importing firms located in the United States.

There was also a development in the shipment of frozen salmon to this market, a trade which had remained stagnant since the pre-war period. Shipments from Canada in the seven months ending last October were valued at \$21,154. This trade is also in a few hands and is largely a consignment business.

Canned salmon continues to be sold to this market in very limited quantities on account of the high duty and further connections were established during the past year in this line.

New connections were also established last year for canned lobsters. There is always a demand for the Canadian product in Germany, but the trade is very much restricted by the high duty of around 86 cents a pound. For this reason only canned lobsters of the very best quality are required. The value of the Canadian export of canned lobsters to Germany in the twelve months ending last October was \$9,340.

Another fish product in which business has lately been developed from Canada to Germany is fresh eels, which were exported to this market in the twelve months ending October last to the value of about \$60,000.

SEEDS

The export of alsike clover seeds from Canada to Germany showed a decline last year, being valued at \$83,378 for the twelve months ending October, 1925, as compared with \$162,766 a year previously. The German returns show an import from Canada of 122,540 pounds of clover seeds in the eleven months ending November, 1925. Canadian clover seeds are subject to a discrimination in duty, which should further adversely affect the business with Germany developed by Canadian exporters in the last few years.

• CRUDE DRUGS

Canada supplies Germany with fair quantities of senega root, Canada balsam, and other crude drugs. This business is expanding and further connections were formed during the past year. During the twelve months ending October last the exports of senega root from Canada to Germany were valued at \$35,603 and those of balsam at \$5,809.

FOREST PRODUCTS

Great interest was exhibited in Germany during the past year in Douglas fir lumber from British Columbia and several important connections were established. Only a very limited business has been possible, but imports of Pacific Coast woods into Germany as a substitute for pitch pine should gradually tend to increase. Only a few parcels of Pacific Coast spruce were imported last year. From Eastern Canada practically the only import was figured birch logs from New Brunswick.

MINERALS

After grain and flour the largest group of Canadian exports to Germany is comprised of minerals, the most important of which are aluminium, asbestos, lead, zinc, nickel, and cobalt. The total value of the Canadian minerals and metals exported to Germany last year exceeded three million dollars and accounted for nearly 10 per cent of the total Canadian export trade with this country.

The most notable increase was the shipment of aluminium in bars, blocks, etc., to the value of \$997,528 in the twelve months ending October, 1925, as compared with \$63,316 in the previous year.

Another trade of importance which developed during the past year is the shipment of refined lead and zinc spelter from British Columbia to Germany. In the seven months ending October last Canada exported to Germany 61,047 cwt. of refined lead valued at \$441,095 and 24,915 cwt. of zinc spelter valued at \$181,133. The German returns show an import from Canada in the eleven months ending November, 1925, of 833 tons of lead and 636 tons of zinc. The development of this trade must be considered a distinct gain to Canada as previously only lead and zinc concentrates had been shipped.

Germany is the second largest market for Canadian asbestos and Canada is the chief source of supply for the asbestos required in Germany. In the twelve months ending October last there were exported from the Dominion to Germany 10,038 tons of asbestos valued at \$811,737, as compared with 6,795 tons of a value of \$606,858 in the previous year. There were also shipped in the former period 2,110 tons of asbestos sand and waste, valued at \$37,330. The German statistics show a total import of asbestos in the eleven months ending November, 1925, of 11,423 tons, of which Canada is given as supplying 4,489 tons and the United States 3,743 tons. A considerable part of the asbestos consigned from Canada to Germany is re-exported to other central European countries, and this explains the discrepancy between the German and Canadian returns.

There was a decline last year in Canadian shipments of nickel to Germany, the figures for the twelve months ending last October being 514 cwt. of nickel ore valued at \$7,810 and 4,146 cwt. of nickel, fine, valued at \$138,299. In the previous twelve months the value of the nickel ore shipped from Canada to Germany had been \$681,206 and of nickel, fine, \$360,652.

During the twelve months to October, 1925, Canada exported to Germany metallic cobalt to the value of \$47,360 and cobalt alloys to the value of \$16,227, both of which represent increases over the previous year. On the other hand, no cobalt oxides are shown as having been shipped to Germany last year.

Other Canadian minerals for which connections were established in the German market last year include graphite, tale, and lithium ore.

FINISHED MANUFACTURED GOODS

The removal of the system of import prohibitions on October 1, 1925, has rendered it once more possible to do business with Germany in manufactured goods. Licenses for the import of certain classes of manufactured articles were granted more freely before that date, so that in a few lines Canadian manufacturers were able to do some business with Germany last year. Thus in the twelve months ending October last the Canadian exporters of agricultural machinery shipped to Germany 223 binders valued at \$37,598 and 17 mowers valued at \$1,061.

There was a decrease last year in Canadian shipments of passenger automobiles to Germany, especially of automobiles valued at under \$1,000. During the twelve months ending October, 1925, Canada exported to Germany 193 passenger motor cars of a total value of \$228,195, of which 138 of a total value of

\$186,758 were valued at over \$1,000 each. Since December 15 last there has been a discrimination in duty against Canadian motor cars as compared with those from the United States, Great Britain, and Italy, so that the shipments from Canadian motor factories to this market are now negligible.

Adding and calculating machines were shipped to Germany from Canada in the twelve months ending October last to the value of \$118,133, which was approximately equal to the export of these machines to this market in the previous year.

A total of 2,938 pneumatic tire casings, valued at \$49,181, were exported to Germany from Canada in the twelve months ending October, 1925. This represents practically a new field of activity for the Canadian tire manufacturers, but as tires from Canada have been subject since December 15 last to a discrimination in duty as compared with tires from Great Britain, the United States, and Italy, few tires are now being shipped to this market from Canada.

Another rubber product, in which considerable business has lately been developed from Canada to Germany, is rubber-soled canvas shoes, the shipments in the seven months ending last October being 27,718 pairs of a total value of \$19,001. Further connections for this line have recently been established and this trade should continue during the next year.

The shipments of finished manufactured goods, apart from manufactured goodstuffs may be said to have constituted roughly 1½ per cent of the total value of Canadian exports to Germany during the past year.

TRADE OF THE UNITED KINGDOM BY COUNTRIES DURING 1925

TRADE COMMISSIONER HARRISON WATSON

London, February 16, 1926.—Probably the most interesting feature of the January trade accounts is the returns, by value, of the trade of the United Kingdom with the leading countries of the world during the calendar year 1925.

Although the figures do not affect Canada directly, they illustrate, when compared with previous years, not only the current condition of activity prevailing in different countries, but also the tendencies.

For this reason the customary procedure has been adopted of preparing a special table showing in detail the trade of Britain (imports, exports and re-exports) with practically all the leading countries in the world, which incidentally also includes the countries with which Canada carries on direct trade.

Before proceeding to this table, it is useful to indicate the aggregates of trade with foreign countries and trade with the British Empire, which were as follows:—

Trade with Foreign Countries

	1924	1925
Imports.. . . .	£889,566,147	£893,136,957
Exports (British).. . . .	463,363,586	438,165,660
Re-exports.. . . .	113,480,475	128,092,337
	<hr/> £1,466,410,208	<hr/> £1,459,394,954

Trade with British Empire

Imports	£387,872,997	£ 429,721,210
Exports (British).. . . .	337,603,251	334,920,750
Re-exports.. . . .	26,489,668	26,318,630
	<hr/> £751,965,916	<hr/> £790,960,590

As is now generally known and has been previously dealt with in another report, conditions in both trade and industry in the United Kingdom remained unfavourable during 1925 and were particularly disappointing as regards export trade. It is, however, satisfactory from an Imperial point of view to learn that

the proportion of the United Kingdom's trade with other countries of the Empire increased substantially during 1925, in both imports and British exports, the percentages being as follows:—

	Imports		British Exports		Re-exports	
	1924	1925	1924	1925	1924	1925
Foreign countries..	69.6 p.c.	67.5 p.c.	58.4 p.c.	56.6 p.c.	81.1 p.c.	83 p.c.
British Empire ..	30.4 p.c.	32.5 p.c.	41.6 p.c.	43.4 p.c.	18.9 p.c.	17 p.c.

As regards trade with particular countries, it is obvious that with the continuation of imports upon an ever-increasing scale, consignments which reach the United Kingdom have again advanced in value from almost all countries.

As will be seen from the table reproduced hereafter, in the case of Canada, a growth of £5,000,000 in imports is accompanied by a decline of rather over £500,000 in exports to the Dominion.

Taken throughout, there are not many marked changes. The United States still stands alone as a course of supply, but the proportion of imports to the whole is less than it was a few years ago.

Germany and Russia probably furnish the most noteworthy cases. Imports of German goods advanced by £12,000,000 in 1925, or approaching 30 per cent. Exports from the United Kingdom to Germany also expanded, but to a lesser degree, only about £1,500,000.

As a supplier of large quantities of provisions, timber, etc., to the United Kingdom, imports from Russia have always been largely in excess. In 1925 Russian goods imported advanced from £19,000,000 to £25,000,000, or 25 per cent, while British exports to Russia also marked a substantial increase.

TABLE SHOWING TRADE OF THE UNITED KINGDOM—I.E. IMPORTS, EXPORTS (THE PRODUCE OF THE UNITED KINGDOM), AND RE-EXPORTS, (THE PRODUCE OF FOREIGN COUNTRIES, AND OTHER PORTIONS OF THE BRITISH EMPIRE), WITH THE COUNTRIES INDICATED, FOR THE CALENDAR YEARS, 1923, 1924 AND 1925:—

BRITISH EMPIRE			
	1923	1924	1925
Canada—			
Imports	£ 53,380,461	£ 65,899,590	£ 70,727,471
Exports	27,557,591	28,132,476	27,561,632
Re-exports	2,748,743	2,449,915	3,131,065
Total	83,686,795	96,481,981	101,420,168
Australia—			
Imports	49,005,354	59,022,426	72,740,048
Exports	57,699,700	60,759,614	60,168,464
Re-exports	* 4,175,135	5,158,899	3,862,523
Total	110,880,189	124,940,939	136,771,035
New Zealand—			
Imports	42,966,271	46,964,167	51,332,418
Exports	20,695,679	20,333,219	23,097,076
Re-exports	1,004,825	1,025,433	1,111,077
Total	64,666,775	68,322,819	75,540,571
Irish Free State—			
Imports	32,728,265	51,095,818	43,394,064
Exports	24,639,243	47,296,605	40,161,889
Re-exports	6,574,112	11,215,720	10,963,535
Total	63,941,620	109,608,143	94,519,488
Union of South Africa—			
Imports	15,354,356	18,080,009	25,196,527
Exports	27,844,195	30,405,349	30,668,414
Re-exports	1,440,609	1,595,514	1,652,174
Total	44,630,160	50,080,872	57,517,115

TABLE SHOWING TRADE OF THE UNITED KINGDOM—*Continued*

	1923	1924	1925
West Africa—			
Imports	11,167,634	13,264,302	13,784,367
Exports	11,506,502	10,486,688	13,942,074
Re-exports	996,161	1,154,266	1,383,426
Total	23,670,297	24,905,256	29,109,867
East Africa—			
Imports	3,730,858	5,339,902	7,877,429
Exports	2,931,430	3,663,505	5,188,267
Re-exports	68,702	116,018	168,630
Total	6,730,990	9,119,425	13,234,326
British West Indies—			
Imports	5,858,361	4,791,007	5,929,490
Exports	3,689,005	3,773,689	4,004,289
Re-exports	329,791	305,480	269,398
Total	9,877,157	8,875,176	10,203,177
British India—			
Imports	66,950,068	78,872,953	79,976,811
Exports	86,246,488	90,577,148	85,944,010
Re-exports	1,095,524	1,114,241	1,194,033
Total	154,292,080	170,564,342	167,114,854
Ceylon—			
Imports	12,452,005	13,596,374	17,057,628
Exports	3,763,585	4,309,994	5,044,039
Re-exports	105,483	124,955	155,161
Total	16,321,073	18,031,323	22,256,828
Straits Settlements—			
Imports	10,657,886	10,563,360	18,770,099
Exports	7,742,414	8,289,458	11,516,888
Re-exports	152,616	159,968	246,267
Total	18,552,916	19,012,786	30,531,254
FOREIGN COUNTRIES			
	1923	1924	1925
United States—			
Imports	210,723,737	241,189,641	247,246,848
Exports	59,699,669	53,841,920	52,069,022
Re-exports	25,943,115	24,585,188	31,166,028
Total	296,366,521	319,616,749	330,481,898
France—			
Imports	58,462,433	66,578,211	65,061,818
Exports	49,258,145	41,714,860	31,042,253
Re-exports	19,040,844	17,766,422	23,235,189
Total	126,761,422	126,059,493	119,339,260
Germany—			
Imports	34,994,041	36,888,265	48,156,082
Exports	42,624,167	42,586,928	44,206,182
Re-exports	18,271,803	28,930,306	27,283,402
Total	95,890,011	108,405,499	119,645,666
Italy—			
Imports	14,294,824	18,227,633	19,415,253
Exports	19,408,948	17,670,065	18,823,568
Re-exports	2,145,005	2,371,167	2,867,689
Total	35,848,777	38,268,865	41,106,510
Belgium—			
Imports	27,476,497	36,386,576	35,556,349
Exports	25,234,088	22,667,817	18,673,518
Re-exports	10,219,308	10,215,243	10,267,445
Total	62,929,893	69,269,636	64,497,312

TABLE SHOWING TRADE OF THE UNITED KINGDOM—*Continued*

Netherlands—		1923	1924	1925
Imports		37,061,127	42,735,404	45,585,786
Exports		29,499,207	25,220,248	24,835,834
Re-exports		5,833,926	7,311,255	6,885,552
Total		72,394,260	75,266,907	77,307,172
Denmark—				
Imports		46,203,553	48,904,197	49,266,440
Exports		12,584,011	13,799,397	10,985,724
Re-exports		1,718,789	1,709,835	1,226,727
Total		60,506,353	64,413,429	61,478,891
Norway—				
Imports		11,126,753	11,605,238	12,973,202
Exports		8,591,107	8,721,045	8,103,673
Re-exports		730,262	646,183	787,214
Total		20,448,122	20,972,466	21,864,089
Sweden—				
Imports		21,549,571	22,504,967	21,316,966
Exports		13,798,218	13,868,858	11,508,149
Re-exports		1,832,146	1,811,402	1,743,482
Total		37,179,935	38,185,227	34,568,597
Russia—				
Imports		9,266,100	19,773,842	25,329,336
Exports		2,491,650	3,860,385	6,165,968
Re-exports		1,989,476	7,212,144	13,269,054
Total		13,747,226	30,846,371	44,764,358
Finland—				
Imports		13,205,296	13,803,906	13,222,679
Exports		3,911,101	4,558,482	3,959,496
Re-exports		921,808	1,018,748	699,094
Total		18,038,205	19,381,136	17,881,269
Switzerland—				
Imports		19,425,885	19,435,757	19,033,211
Exports		7,288,090	11,306,816	9,204,282
Re-exports		1,354,595	1,394,142	1,181,252
Total		28,068,570	32,136,715	29,418,745
Austria—				
Imports		2,092,798	2,522,174	2,598,266
Exports		1,137,608	2,375,016	2,211,974
Re-exports		391,767	535,126	531,083
Total		3,622,173	5,432,316	5,341,323
Roumania—				
Imports		2,353,885	2,208,610	2,278,419
Exports		2,772,464	2,857,170	3,071,400
Re-exports		71,203	81,930	115,174
Total		5,197,552	5,147,710	5,464,993
Czecho-Slovakia—				
Imports		8,299,931	13,472,820	10,736,662
Exports		993,575	1,376,223	1,559,986
Re-exports		107,174	155,525	231,259
Total		9,400,680	15,004,568	12,527,907
Greece—				
Imports		4,696,710	3,663,723	2,859,538
Exports		3,822,513	5,867,261	6,015,582
Re-exports		131,649	150,668	157,089
Total		8,650,872	9,681,642	9,032,209

The actual figures in comparison with last year were as follows:—

	January, 1925	January, 1926	Increase or Decrease
Imports..	£128,927,477	£117,689,450	(Dec.) £11,238,027
Exports..	69,050,534	60,380,475	(Dec.) 8,670,060
Re-exports..	13,283,639	11,742,048	(Dec.) 1,541,591

General features of British trade and industry were so exhaustively dealt with in the annual review of a month ago that there is practically nothing new to add.

Purely home trade still maintains more activity than is being experienced in industry and export trade.

Parliament was once more assembled, and a feature of interest to Canada is the announcement in the King's Speech of the intention of introducing a new Merchandise Marks Act. Details have not yet been published officially, but it is understood that the bill will give the Board of Trade power to enforce the branding of the country of origin on articles where such action is found in the interests of United Kingdom trade.

A system of marking will also be adopted which will distinguish home made, from imported goods, and further differentiate definitely between goods which are the product of the Empire and of foreign countries.

It is also the opinion of the paper trade that the proposals for a Safeguarding duty on wrapping and packing paper will be re-introduced during the session, probably not until after Easter.

MARKET FOR DIATOMACEOUS EARTH IN NORTH OF ENGLAND

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, January 29, 1926.—There is a growing demand in this country for diatomaceous earth, more commonly known in Europe as keiselguhr, and sometimes in North America as infusorial earth. This product, which is composed of siliceous skeletons of certain aquatic plants called diatoms, is secured from ocean, river and lake beds. The crude substance is usually of a brownish colour and is extremely light and porous. When reduced to powder form and dried it becomes white. Usually, the purest white varieties bring the highest prices. Some of the lower grades are of a rather dull brown shade when dried. Lightness in weight is also a factor in marketing, the heavier types, as a rule, being less valuable.

Diatomaceous earth is in demand in this country for a number of industrial purposes, some of the more important of which are as follows: oil filtration, sugar refining, soap filling, ice chambers, explosives, packing acids, blotting paper manufacture, fire proof and sound proof floors, inland and marine cold storage insulation, polishing, India rubber manufacture, ultra marine manufacture, boiler and hot pipe covering, silicate and other paint manufacture, fireproof covering for steel and iron girders, etc.

Under the heading of keiselguhr the Board of Trade statistics for the years 1922 to 1924, inclusive, show the imports to this country, as follows:—

	Quantities			Values		
	1922 Tons	1923 Tons	1924 Tons	1922 £	1923 £	1924 £
Norway	76	92	70	1,180	902	1,353
Germany	1,701	1,059	723	11,237	5,502	4,094
France	228	283	680	1,342	1,250	3,120
Algeria	1,943	2,299	2,738	10,187	10,803	11,310
Spain	638	623	762	5,753	4,149	4,434
United States	778	1,570	1,274	9,341	16,055	13,345
Other foreign countries	145	364	291	1,281	2,756	1,494
Total from foreign countries ..	5,509	6,290	6,488	40,321	41,417	39,150
Total from British possessions ..	..	..	253	..	..	1,068
Total	5,509	6,290	6,741	40,321	41,417	40,218

From the above table it will be seen that imports from Algeria have been steadily increasing. Considerable quantities of a somewhat similar grade to the Algerian product are also obtained from Northern Ireland, and therefore, are not shown in the above statistics. According to importers interviewed, the Algerian and the bulk of the Irish products are mainly of the lower grades, although Ireland also furnishes some of the best varieties obtainable. As each industry has its own particular requirements, a high grade being best suited to one, and a low grade to another, there is a wide range of demand as regards grade and quality. For this reason it is difficult to arrive at an accurate basis of values and grades, but, on the whole, the opinion is that American diatomaceous earth coming to this country is of the better quality.

Shipments are usually made in bags, and quotations are per long ton c.i.f. United Kingdom port. Prices vary anywhere from £2 10s. up to £12 per ton, but recent quotations based on samples furnished to this office are as follows: Algerian Diatomite Snow White, £8 per ton in free bags c.i.f. Liverpool, in 10-ton lots; Spanish white milled Diatomite £5 18s. in 50-ton lots; Irish Diatomite raw milled, one-eighth inch mesh £3 10s. in free bags f.a.q. Liverpool in 10-ton lots. Norwegian Diatomite, brown milled and white milled, same prices as Irish, excepting delivery is c.i.f. Liverpool. A further set of samples are quoted as follows: Spanish, £8 10s. c.i.f.; Algerian, 3 samples, £5 10s., £5 7s. 6d. and £5. Descriptions of different varieties usually give the specific gravity and full analysis particulars.

It has been ascertained from the Department of Mines, Ottawa, that diatomaceous earth occurs in Canada and a very small output has been recorded during the years 1920 to 1924, inclusive. With a view to testing the possibilities for developing the trade to this country, samples of Algerian, Irish, Spanish and Norwegian varieties have been forwarded, for comparison with Canadian samples, at the Mines Branch, Ottawa. It is suggested, therefore, that any Canadian firms interested in the marketing of this product communicate with the Department of Trade and Commerce, Ottawa, when they will be given further details regarding these samples and also the names of interested importers in this section of England. It is also requested that interested firms communicate with this office (Liverpool) when further co-operation will be given.

TRADE COMMISSIONER H. R. POUSSETTE'S FORTHCOMING VISIT TO CANADA

Mr. H. R. Poussette, Canadian Trade Commissioner in Port of Spain, Trinidad, will arrive in St. John on March 24 on his way to Calcutta, to which post he has been transferred. Before proceeding to Ottawa, Mr. Poussette will visit Maritime Province points and he will afterwards cross the Dominion before sailing for India from Vancouver. Canadian firms who are interested in trade with the eastern group of the West Indies, British Guiana, or India, and who desire to be brought in touch with Mr. Poussette, or to interview him, are requested to communicate at an early date with the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa, in order that the necessary arrangements may be made.

Canadian Trade Commissioners and Commercial Agents should be kept supplied with catalogues, price lists, discount rates, etc., and the names and addresses of trade representatives by Canadian exporters. Catalogue should state whether prices are at factory point, f.o.b. at port of shipment, or, which is preferable, c.i.f. at foreign port.

The Canadian Government Trade Commissioners at the present time are using Bentley's Complete Phrase code.

WEST OF ENGLAND FLOUR MARKET

TRADE COMMISSIONER DOUGLAS S. COLE

Bristol, February 9, 1926.—Imports of Canadian flour and meal into the West of England via Avonmouth have always shown considerable fluctuation owing to varied causes, but principally market conditions, coastwise traffic and rail shipments from other ports, and variations in the wheat import trade.

Bristol is one of the pioneer ports of the Canadian export flour trade and records of the statistical division of the port authority go back for many years. Of recent years the imports of Canadian flour and meal compared with total imports for the port fiscal year ending April 30 are as follows:—

Flour and Meal Imports in Bristol and Avonmouth

	1914	1922	1923	1924	1925
Europe.. . . .	2,268	2,260	2,340	5,692	5,296
Egypt.. . . .	...	1,704	794	...	...
South Africa.. . . .	...	5,243	...	4,143	3,068
India.. . . .	935	7,739	4,994	9,906	14,176
Canada—					
Pacific ports.. . . .	...	...	174	...	62
Atlantic ports.. . . .	15,725	13,504	12,775	11,097	15,891
United States—					
Pacific ports.. . . .	...	3,381	1,995	...	325
Atlantic ports.. . . .	17,928	21,361	16,168	11,831	12,034
South America.. . . .	135	2,759	4,260	15,375	20,439
Australasia.. . . .	50	...	1,350	3,671	2,529
Total tons.. . . .	37,041	57,951	44,850	61,715	73,920

Imports for calendar year 1925 totalled 71,188 tons, of which 12,000 tons were shipped from Canadian ports and 9,126 tons from United States ports. By comparison it is interesting to note that in 1893 total imports were 62,930 tons, of which total 6,000 tons were of Canadian origin.

Canadian imports during the past year have not been satisfactory owing to high prices compared with the English port millers. For reasons explained later the latter have cut prices even at periods when wheat prices were on the increase and the market firm. Under such conditions it is but natural that imports of Canadian and American flour declined. Several Canadian mills have written their Bristol representatives asking for an explanation of decreased sales and the replies have all been similar.

Roughly speaking, if Canadian millers can quote to place ex ship export patents at the same price as English port millers are taking for straight grade d/d into bakers' stores, a larger trade would be possible. One well-known Bristol importer showed the writer a five-page list of customers who up to six months ago were regularly buying parcels and who at time of writing are not interested owing to cheaper English supplies which are made of Canadian wheat in part.

GERMAN OFFERS

Germany is understood not to have any considerable surplus of wheat for 1925, yet many offers of German flour are coming into Bristol. It is held that the money stringency is such in Germany as to make it desirable to realize funds on such foodstuffs in England.

One letter from a German miller to a Bristol firm states they are sending baking samples of five different grades. Prices range from \$5.87 and \$8.32 in jute or cotton bags, increasing to \$10.23 and \$10.54, with their best at \$10.84 per 280-pound bag c.i.f. Bristol, net cash against first presentation of documents. Jute bags cost 22 cents less than cotton.

Such offers are of interest, as invariably they claim to be made from best German wheat, which is most suitable for mixing with Canadian flour, and should prove useful to the English baker or household.

PORT VS. COUNTRY MILLS

It is important to note that with the increasing use of foreign and colonial wheat and the necessity of holding large stocks, there has sprung into existence large port mills such as are located in South Wales. Correspondingly there has been an exodus of inland millers to the dock side.

Improved facilities for handling grain in bulk at the ports has hastened this movement, as grain can be transferred mechanically direct to elevators with a minimum of expense. Another factor is the improved road transport which enables the finished product (flour), which is sold in smaller quantities than grain, to be shipped by road or rail.

TREND OF 1926 PRICES

January of this year has commenced with disappointment for importers of flour and for the English miller. The balance of many 1925 contracts expired in the first month of 1926 and rebookings have not been up to expectation.

Prices for standard grade straight run flour commenced in January at \$12.16 to \$12.40 per sack. By January 15 prices were down to \$11.92, and on January 29 dropped to \$11.43.

Much space has been devoted in the newspapers to the deliberation of the Food Council now sitting in London, but members of the trade in Bristol do not believe that their propaganda has had anything to do with the fall in prices.

The key to the situation is that productive capacity exceeds consumption requirement, plus lack of co-ordination in the trade. Failures, short time, stringent economies, and reduced values of quotable shares tell the present position of the English millers in no uncertain terms.

PORT CHARGES AT AVONMOUTH

Canadian millers occasionally write this office for dock charges and other dues at Avonmouth and Bristol. This is generally requested in order that account sales may be checked up for flour consigned to Bristol importers. It is suggested that Canadian millers clip the table below for future reference. As all exporters are aware, Avonmouth is seven miles from Bristol and Canadian boats, owing to their great tonnage, cannot come up to the Bristol docks.

Flour arriving at Avonmouth may be delivered direct to customers inland other than Bristol, or go into storage at Avonmouth, or be delivered to Bristol and then stored. It is therefore evident that dock dues, cartage and storage may show considerable variation.

AVONMOUTH DOCK DUES INCLUDING SURCHARGE

		FLOUR
1. Avonmouth—4 tons ex Ship—		
Dues..	26	
Shed dues..	1	
Landing..	27	
		52 = 8d. per sack
2. Avonmouth—4 tons within 72 hours—		
Dues..	26	
Shed dues..	1	
Landing..	64	
		81 = 1s. 1½d. per sack.
3. Avonmouth—Less than 4 tons—		
Dues..	26	
Shed dues..	1	
Landing..	76	
		101 = 1s. 3d. per sack.

AVONMOUTH DOCK DUES INCLUDING SURCHARGE—*Concluded*

FLOUR	
4. Warehouse rate—	
Dues..	26
Shed dues..	1
Landing..	97
	<hr/>
	122 = 1s. 6½d. per sack.
5. Avonmouth to Pylle Hill and Avonside—	
Carriage..	29
Handling..	13
	<hr/>
	40 = 6d. sack added to Avonmouth charges.

The warehouse rate given above is for storage at Avonmouth whilst the last schedule is for direct shipment to Bristol city and must be added to Avonmouth charges. Storage charges are fixed at 4½d. per ton per week. It may be explained that under certain circumstances the Port of Bristol quotes a special rate for delivery direct ex ship to trucks of 2s. 2d. per ton plus 20 per cent surcharge. This rate is subject to the conditions that there is an ample supply of trucks, orders are on hand prior to arrival of steamer, the stowage on board steamer permits of delivery being made direct to truck without sorting and orders are for not less than four tons, one mark and destination.

BLENDED CANADIAN FLOUR

The question is sometimes raised as to whether Canadian millers would find it advantageous to ship a blended flour to this market. By blended flour is meant a mixture of spring and winter that would be useful as a self-baker. Needless to say Canadian spring wheat flour requires either special treatment or blending and bakers are sometimes averse to doing such blending. The writer believes that even granted it were possible to ship such blended Canadian flour at a competitive price it would yet be undesirable. The chief reason is that port millers are given a preference in the trade and if Canadian blended flour were shipped the strongest selling point, *i.e.* strength, would be entirely lost. The Canadian flour trade in this area has been built up by hard work on the part of Canadian millers and the chief value of their hard spring wheat flour is that it is useful for blending with English or Australian milled supplies which are somewhat weaker. There is this to be said of blending, Canadian flour has eventually to be blended with a softer variety for proper use and the longer the flour is permitted to remain blended the more complete is the operation. This however is only a minor consideration and the chief attitude of West of England importers is strongly against any weakening of the Canadian milled product.

GLASGOW PRODUCE MARKET

TRADE COMMISSIONER G. B. JOHNSON

Glasgow, February 8, 1926.—The market for butter during the past two weeks has shown some little improvement, New Zealand being 2s. higher, Australian is 4s. up, and Danish, because of an improved demand from the continent, has enhanced in value by 8s. to 9s. per cwt. In the opinion of one prominent importer the demand from the continent for New Zealand and Australian butter, together with the heavy falling off in supplies afloat from these Dominions, would seem to point to the present position being continued for some time yet.

New Zealand.—There have been no arrivals during the past week. The market for this butter has been quite active, with good steady buying, but during the past day or two trading has been slow. To-day's quotations are Choicest Salted, 174s. to 176s., Unsalted, 178s. to 180s.

Australian.—A recently arrived steamer brought 34,250 boxes to this market. There has been a good steady demand and prices are higher. Choicest Salted, 166s. to 168s. Unsalted, 170s. to 172s. Second grade Salted and Unsalted, 160s. to 162s. Third grade Salted, 154s. to 156s.

Argentine.—The arrivals now due total 18,750 boxes. The demand has been active and prices have advanced. Finest Unsalted, 158s. to 160s. Good to fine, 150s. to 156s. Finest Salted, 154s. to 158s. Choice, 148s. to 152s.

Danish.—Spot stocks are well cleared at 188s. to 190s. F.O.B. quotations last week were 183s. to 185s., and remained firm till the close of the week.

Swedish.—Shipments continue to be very heavy. Demand is fairly good. Spot prices range from 175s. to 178s.

CHEESE AND EGGS

The demand for cheese at the moment is quieter, and prices in consequence tend to weaken. The reduction so far is slight. Coloured cheese is scarce and commands about 4 shillings in price over white. The demand for home makes is small, but owing to the limited supplies available, prices are well maintained.

New Zealand.—The arrivals from this country have been fairly heavy, comprising about 61,000 crates. There has been a fair demand, but owing to the large quantities on offer, prices are slightly weaker. Choicest Coloured 104s. Choicest White, 100s.

Australian.—No further shipments during the last two weeks have arrived. Spot stocks meet with a fair sale. Choicest White, 96s. to 98s. Coloured, 98s. to 100s.

Canadian.—There is very little on offer, but a fair demand exists for choicest qualities. Finest White, 106s. to 108s. Coloured, 2 shillings higher.

The demand for all kinds of eggs is very good, but supplies are very short and prices dearer.

TENDERS INVITED

Australia

Copies of tender forms and specifications have been received from Trade Commissioner D. H. Ross, Melbourne, for material required by the Victorian Government Railways, Melbourne.

The tender forms and specifications are open to the inspection of interested Canadian manufacturers at the Department of Trade and Commerce, Ottawa (refer to file No. 29077).

Tenders in conformity to the specification should be promptly addressed to the Secretary, Victorian Government Railways, Melbourne, Australia.

Particulars of the requirements are briefly outlined thus:—

No.	Date of closing.	Particulars.
39292	April 14, 1926	Supply and delivery of one horizontal boring, surfacing and milling machine, including motor starting apparatus, standard tool equipment and accessories, as specified.
39242	April 21, 1926	Supply and delivery of steel balls and ball bearings for 70-foot turntables, to drawing and as specified.

IMPORTATION OF WHEAT INTO NEW ZEALAND

TRADE COMMISSIONER C. M. CROTT

Auckland, February 1, 1926.—In *Commercial Intelligence Journal* No. 1150, dated February 13, a notice was published prohibiting the importation into New Zealand of wheat, wheat flour, wheat meal, and ground wheat, save with the consent of the Minister of Customs. It has now been announced that this Order in Council has been revoked.

SUMMARY OF THE TRADE OF CANADA; MONTH, TEN MONTHS; AND TWELVE MONTHS ENDING JANUARY, 1926

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of January, 1926				Ten Months ending January 1926				Twelve Months ending January, 1926			
	From United Kingdom		From United States		From United Kingdom		From United States		From United Kingdom		From United States	
	Total Imports	\$	Total Imports	\$	Total Imports	\$	Total Imports	\$	Total Imports	\$	Total Imports	\$
<i>Imports for Consumption</i>												
Agricultural and Vegetable Products.....	15,628,296	2,792,458	8,614,295	168,664,985	29,052,687	80,684,166	199,602,298	34,161,973	94,363,446			
Animals and Animal Products.....	4,290,889	390,284	2,882,655	37,019,351	4,445,436	25,264,622	46,592,061	5,828,826	32,001,769			
Fibres, Textiles and Textile Products.....	16,625,037	5,982,729	7,394,398	148,152,522	56,503,045	63,691,430	181,889,173	71,043,413	37,015,483			
Wood, Wood Products and Paper.....	2,829,969	2,830,005	2,530,005	32,608,982	2,983,180	27,755,873	39,362,021	3,563,230	33,573,523			
Iron and its Products.....	12,872,719	829,262	11,291,007	144,029,695	15,143,925	124,392,021	170,721,053	17,989,498	147,796,508			
Non-Ferrous Metals and their Products.....	3,449,387	327,788	2,877,590	39,392,919	4,478,805	31,962,258	46,912,284	5,114,494	38,244,938			
Non-Metallic Minerals and their Products.....	9,147,206	1,177,151	7,385,394	118,293,427	12,411,985	93,706,279	137,746,864	13,555,168	110,908,230			
Chemicals and Allied Products.....	2,032,547	232,229	1,361,442	23,182,740	3,664,048	15,025,827	27,895,573	4,290,137	38,173,901			
Miscellaneous Commodities.....	3,459,092	2,562,465	2,562,465	44,215,384	6,613,520	31,290,932	50,905,861	7,460,137	36,173,502			
Totals, 1926.....	69,736,142	12,319,443	46,869,251	755,560,005	135,296,631	493,773,111	901,627,988	163,149,913	588,428,300			
1925.....	58,375,502	11,277,710	38,187,032	650,864,554	123,230,664	415,124,820	799,952,015	147,613,103	517,815,134			
1924.....	66,568,060	12,556,321	44,845,264	744,279,406	129,204,251	498,566,133	901,512,730	156,327,912	606,057,420			
<i>Exports (Canadian Products)</i>												
Agricultural and Vegetable Products.....	36,574,878	18,087,858	3,943,850	522,808,297	319,470,670	57,270,271	574,493,678	343,425,553	62,435,525			
Animals and Animal Products.....	13,042,658	4,452,805	6,049,347	166,999,820	88,535,471	54,103,066	192,487,481	99,580,398	64,184,038			
Fibres, Textiles and Textile Products.....	449,061	52,624	200,806	7,807,382	1,120,667	4,164,326	9,267,845	1,565,745	4,817,834			
Wood, Wood Products and Paper.....	19,549,174	784,564	17,433,174	229,323,158	17,511,655	194,996,886	274,713,542	19,197,916	235,310,296			
Iron and its Products.....	5,404,936	513,067	680,828	58,654,220	7,078,903	5,874,551	70,705,223	7,926,487	7,067,076			
Non-Ferrous Metals and their Products.....	5,591,481	876,762	3,496,547	81,062,314	12,987,354	50,871,501	100,711,284	16,815,321	63,008,058			
Non-Metallic Minerals and their Products.....	1,803,815	47,247	1,317,851	20,881,217	943,418	14,347,825	24,378,285	1,261,966	16,878,569			
Chemicals and Allied Products.....	1,331,600	180,151	831,309	14,144,096	2,907,129	7,237,391	17,319,333	3,577,035	8,916,796			
Miscellaneous Commodities.....	970,916	285,048	569,881	13,736,230	2,640,458	8,892,448	16,281,990	3,718,637	10,103,012			
Totals, 1926.....	84,718,819	25,280,126	34,528,593	1,115,416,734	453,195,725	397,758,265	1,280,358,661	497,069,058	472,721,224			
1925.....	75,347,012	20,545,755	34,080,185	904,125,426	351,970,100	342,454,185	1,063,829,743	388,563,725	416,477,378			
1924.....	69,575,167	19,190,782	30,544,394	885,646,739	323,464,157	356,684,351	1,019,860,499	358,251,569	422,332,474			
<i>Exports (Foreign Produce)</i>												
Totals, 1926.....	997,012	83,581	775,881	10,346,054	831,054	8,400,383	12,456,690	1,091,229	10,115,929			
1925.....	652,263	66,249	514,195	10,183,654	1,064,440	8,051,953	12,426,416	1,221,779	9,916,594			
1924.....	779,565	97,859	609,905	11,169,479	945,681	9,070,724	13,388,706	1,164,263	10,734,683			
<i>Excess of Imports (i) or All Exports (e)</i>												
1926.....	(e) 15,979,689	(e) 13,044,264	(i) 11,566,777	(e) 370,202,783	(e) 318,730,148	(i) 87,614,463	(e) 391,167,363	(e) 335,010,374	(i) 105,591,147			
1925.....	(e) 17,623,773	(e) 9,334,294	(i) 3,592,652	(e) 263,444,526	(e) 229,803,876	(i) 64,618,682	(e) 276,304,144	(e) 242,172,401	(i) 91,421,162			
1924.....	(e) 3,786,672	(e) 6,732,320	(i) 13,690,965	(e) 152,536,812	(e) 195,205,887	(i) 132,811,058	(e) 131,736,475	(e) 203,087,920	(i) 172,990,263			

EXTERNAL TRADE OF SOUTH AFRICA DURING 1924

TRADE COMMISSIONER G. R. STEVENS

Automotive Requirements—Continued

XIII

[Imports and exports of South Africa were discussed in general terms in the first instalment of this report, which was published in Commercial Intelligence Journal No. 1130; Foodstuffs Imports in Nos. 1131 and 1132; Textiles and Clothing in Nos. 1133, 1134; Machinery and Tools in Nos. 1143, 1144, 1147, 1148, 1149, and 1150; and Automotive Requirements in No. 1152. Further instalments of this report, which deal with the import trade of South Africa in the light of the recent revision of the tariff, will be published in later issues.]

AUTOMOTIVE PARTS AND ACCESSORIES

The imports of automotive parts and accessories are somewhat misleading owing to the Customs definition of what constituted an accessory when imported upon a new car. A ruling, however, has just been promulgated which specifically includes all standard equipment upon a new car as part of the car and assessable as such, except shock absorbers and tires. In addition, lampware and brake lining are separate Customs items, and will not be included in the statistics of import under this heading, but are, of course, accepted as part of a car when not imported separately.

The imports of automotive parts and accessories for 1924 and 1923 were as follows:—

	1924	1923
Great Britain	52,273	69,348
Canada	56,796	48,137
United States	188,839	134,949
Other suppliers	9,787	9,228
Totals	207,695	261,662

These figures do not include imports of sidecars for motor cycles, which amounted to £5,995 in 1924 and £4,994 in 1923.

Of the above imports, roughly 80 per cent were for use on passenger cars, 8 per cent on motor trucks, and the remainder on all types of vehicles. The large items are of course pistons and springs, but the same extraordinary range of automotive accessories are on sale in South Africa as elsewhere in the world.

Automotive accessories are not an easy line to introduce in this market. There are only one or two agents handling such lines, and they are chary of accepting further representations unless they are sure that considerable business will develop. In addition to the agents, the majority of the principal retailers and the few wholesalers of automotive equipment accept exclusive connections for certain types of equipment, but the tenure of such agencies is uncertain, as is always the case when exclusive representation is placed with a merchant.

TIRES AND TUBES

The imports of tires and tubes for all motor vehicles during the two years under review were as follows:—

Motor car tires:	1924		1923	
	Pounds	£	Pounds	£
Great Britain	804,556	118,487	956,269	157,447
Canada	585,776	104,656	409,193	57,437
France	318,335	34,260	238,962	26,712
United States	548,426	88,720	831,011	110,343
Other countries	91,017	9,457	130,842	15,415
Total	2,348,110	355,580	2,506,277	367,354

	1924		1923	
	Pounds	£	Pounds	£
Motor car tubes:				
Great Britain	229,505	26,499	111,175	13,450
Canada	92,200	15,163	36,194	4,751
France	57,482	4,629	33,983	2,773
United States	79,892	13,683	98,076	12,868
Other countries	10,265	1,050	13,641	1,433
Total	469,344	61,024	293,069	35,275

	1924		1923	
	Pounds	£	Pounds	£
Motor cycle tires:				
Great Britain	31,394	4,680	....	....
Canada	1,775	387	....	....
France	26,368	3,350	....	....
Germany	2,683	339	....	....
United States	780	134	....	....
Total	63,000	8,890	....	....

	1924		1923	
	Pounds	£	Pounds	£
Motor cycle tubes.				
Great Britain	4,192	685	....	....
Canada	1,723	354	....	....
France	4,895	739	....	....
Germany	603	72	....	....
United States	446	96	....	....
Total	11,859	1,946	....	....

	1924		1923	
	Pounds	£	Pounds	£
Solid tires:				
Great Britain	297,086	11,856	145,045	8,777
Canada	27,140	1,782	21,751	1,166
Australia .. . . .	....	....	626	31
France	1,572	118	....	....
Germany	23,461	903	34,112	1,594
United States	85,492	5,345	59,102	3,325
Total	344,751	20,004	260,636	14,893

Imports in 1924 of motor tires of all descriptions give a total value of £447,444, to which Great Britain contributed £162,207 (36.2 per cent); Canada, £122,342 (27.4 per cent); France, £43,096 (9.6 per cent); the United States, £107,987 (24.3 per cent); and other countries, £11,821 (2.6 per cent). During the previous year the value of tire imports was £417,522—including imports of tires for pedal-propelled bicycles, figuring in last year's returns at £42,438.

Imports from Great Britain dropped from 43.1 per cent; but as in the 1924 returns 87 per cent of bicycle tires imported are of Great Britain origin, it is clear that by the inclusion of imports of this description with motor tires in 1923 the United Kingdom returns for the latter were considerably inflated. It is suggested above that a round sum of £30,000 falls to be deducted on this account from the 1923 figures. If this is done the position in respect to the United Kingdom's motor tire trade with the Union in 1924 was not materially below that of 1923, and on the grand totals for motor tire imports last year's increase of almost exactly £30,000, as officially shown, is doubled.

Canadian imports under this heading improved their position substantially in 1924 over the previous year, when they represented only 15 per cent of the total. Imports from France rose slightly from 7.1 per cent. The United States figures dropped from 30.3 per cent. As distinct from the United Kingdom, the United States are not large exporters of bicycle tires.

Six companies—two British, three Canadian-American, and one French—dominate the situation. Owing to the intense competition it is generally considered that the trade is on a non-paying basis for manufacturers and distributors alike. A number of the world's manufacturers, only second to the six who share this market, have dropped active efforts in this territory because of its non-profitable nature. The introduction of a new tire necessitates consignment stocks from the manufacturer and the discovery of a representative who will

spend his own money in introductory work for the sake of anticipated profits later on. On account of the nature of the competition, there are neither manufacturers nor South African importers who desire business under such conditions, and therefore the possibility of opening new connections are remote.

Great Britain and Canada still retain a preference of 2d. per pound in a duty of 1s. per pound on pneumatic tires, and a preference of 1d. per pound in a duty of 3d. per pound on solid tires, which is of some assistance in maintaining the trade within the Empire.

MOTOR SPIRITS

The imports of motor spirits, exclusive of benzines, benzols, naphthas, and similar specialized spirits of which small quantities are imported, were as follows:—

	1924		1923	
	Gallons	£	Gallons	£
Great Britain .. . . .	....	....	24,823	2,211
Dutch East Indies	8,314,163	419,245	7,726,618	555,765
United States	10,560,434	779,872	6,735,399	523,194
Totals	18,874,597	1,199,117	14,486,840	1,081,170

As compared with the previous year petrol imports show an increase of 4,388,282 gallons. On the basis of Customs duties collected, 4,767,960 gallons were imported in bulk and 13,062,720 gallons in containers, leaving slightly over a million gallons unaccounted for. For 1924 the average declared values of Dutch East Indian and American petrol were respectively 12.1d. and 17.72d. as compared with 17.26d. and 18.64d. respectively for the previous year. Presumably the first figure is for bulk shipments, and exclusive of packing charges.

Early in 1925 alterations in the customs destroyed the advantage of one of the British companies supplying Dutch East Indian petrol. Previously there had been a slightly more favourable duty on oils packed in South Africa. The present year will show whether the withdrawal of this concession affected Dutch East Indian sales. It has just been reported, however, that one of the large American companies is proceeding with construction operations for the purpose of packing petrol in South Africa, which would appear to indicate the economy of this undertaking.

In addition to increased imports of mineral oils, the South African production of *Natalite*, the sugar waste fuel, is likewise increasing. At present something over 350,000 gallons are manufactured each year, and larger quantities may be anticipated in the future, as at present it is more profitable to manufacture motor fuel than to sell molasses. Portuguese East Africa is likewise beginning to manufacture fuel alcohols for which the natural destination will be South Africa.

ECONOMIC CONDITIONS IN BERMUDA

TRADE COMMISSIONER JAMES CORMACK

Hamilton, Bermuda, February 15, 1926.—The tourist trade, lasting from January till April, which is at present in full swing, accounts for about 70 per cent of the revenue of Bermuda. On this trade largely depends the economic condition of the colony. This year there has been a considerable improvement over the previous season, although the prevailing ocean storms and the cold and inclement weather obtaining locally have been causes for some cancellation of bookings. During the present year, therefore, it is fully expected that the beneficial effect of a good tourist season will help considerably general trade conditions.

The output of agricultural produce of the island is reported to show a great improvement both in quantity and in the price obtained over last year. To-day's prices obtained in New York for local produce now being grown are:—

Potatoes..	\$15.50 per bbl.
Parsley..	5.00 per bushel crate
Carrots..	1.50 "
Beets..	2.75 "
Turnips..	2.00 "
Lettuce..	1.50 "

FINANCIAL CONDITIONS

Money is still tight and payments inclined to be slow, but there has been only one business failure during 1925. Although accepted drafts have frequently to be extended beyond the customary thirty days, they are almost invariably met in time. Most of the reputable business houses are financially sound, good for the ordinary business commitments, and there is no sign of overbuying or speculation.

NEW ENTERPRISES

The Bermuda Government has made an appropriation of £60,000 for reclaiming certain marsh lands adjacent to Hamilton, for race tracks and recreation purposes. Materials, tools, etc., used have been obtained through the Crown agents. There is now before the House of Assembly the question of introducing a light railway traversing the islands, but as Bermuda has always barred motor-driven traffic hitherto, there is some opposition to the movement.

GENERAL

There is no real estate exploitation whatsoever at present in Bermuda, which has a law to the effect that no alien or number of aliens can own more than 25 per cent of the land in any parish. The recent visit of the British Empire Parliamentary Delegation has stimulated the British connection and has made the outlook for increased British tariff preference more favourable than it has been for years.

COMMERCIAL NOTES FROM NEW SOUTH WALES

COMMERCIAL AGENT B. MILLIN

Trade Prospects

Sydney, January 14, 1926.—The year just closed has witnessed a substantial increase in the wealth and prosperity of Australia, notwithstanding a series of strikes, one of which (the shipping strike) seriously crippled the overseas trade of Australia for the last three months of the year.

The volume of production in both primary and secondary spheres of industry was greater than the preceding year. The official statistics are not yet available, but advance figures show a material increase, and it is probable that, but for the drop in wool values during the latter portion of the year and the loss caused by strikes, Australia would have experienced a record season. The year on the Stock Exchange was active with gilt-edged and front-line securities in strong demand at enhanced prices.

Motor Car Trade

The motor car trade has shown rapid growth in the past few years, according to figures recently issued with regard to the registration of motor cars. The registration of new motor vehicles for 1925 amounted to 42,053, which represents

an increase of 74.1 per cent over 1924. The total amount paid in taxation for the past year was £864,570. The following figures show the number of new cars registered in New South Wales for the past five years.

1921..	7,410
1922..	13,340
1923..	17,021
1924..	24,155
1925..	42,053

Forty-four-Hour Week now Legal

On January 4 the 44-hour working week came into operation in the state of New South Wales, although at first it was taken into consideration to postpone the enforcement of the Act until July 1, so that employers might make the necessary changes in their works organizations.

ECONOMIC CONDITIONS IN THE NETHERLANDS

TRADE COMMISSIONER FREDERICK H. PALMER

Rotterdam, February 11, 1926.—Business during the opening month of the year was very quiet in practically all directions. Agricultural activity, except for the section under glass, was prevented to a large degree, by cold weather and heavy floods which were the most severe for years. The subsidence of the waters is naturally causing considerable work of a relief nature, but throughout the country unemployment continues to increase. On January 30, 45,530 persons were registered as unemployed as compared with 42,685 on December 26, and 42,100 a year ago. The increases were due to slightly decreasing employment in all classes except leather workers. In addition to these skilled operatives, there were 38,000 unskilled labourers registered as unemployed as compared with 35,833 in December 1925 and 36,500 a year ago.

However, the weeding-out process of unstable or poorly organized industries and retailers appears to have been completed. Failures to date have totalled 373 as compared with 438 for the same period of 1925.

January was a most interesting month from the financial standpoint. The bank's discount rate remained unchanged at $3\frac{1}{2}$ per cent but trustee funds accumulated to a rather large degree, funds which could not be transferred to say London or New York for re-investment at the higher bank rates offering. The scarcity of legal trust securities resulted in the Dutch government receiving offers of 118 millions when they asked for tenders for 25 millions of short term notes. The whole lot was accepted since the investors offered 3 months notes at one per cent interest and six months notes at $1\frac{1}{2}$ per cent.

Fifty-two million three hundred and twenty thousand million guilders of new securities were offered to Dutch investors during January as compared with a 1925 monthly average of 30 millions. State, provincial and municipal issues totalled fl. 24,757,000 and one oil issue was for fl. 18,000,000. Other securities issued were generally well received and the portion of the issue made by the Compagnie des Wagon Lits offered to this market received much better treatment than the main issue in London.

The quantity of money available is further reflected in the weekly balance sheet of the Nederlandsche Bank, the State Bank of Issue, but it also reflects decreasing business activity. The volume of bank notes in circulation has decreased between February 1 and February 8 from over 865 million guilders to under 840 millions while the quantity of gold coin held by the bank increased nearly six millions to 46,571,775 guilders. Domestic and foreign paper discounted have also decreased.

A bright spot in Holland's economic development was forecast in a recent report of the coal mining industry. The results anticipated by co-operation of Dutch railroads which are municipally owned and operated public services, and

Dutch industries to assist the development of coal mining in Holland, have largely been realized and the year closed with the industry in a strong position statistically both in respect to employment and output.

SHIPPING

The number of ships entering Rotterdam during January, showed an increase of 18 over the first month of 1925. One thousand and thirty-eight ships of 1,618,525 net registered tons as compared with 1,020 of 1,535,653 tons entered the port.

FOREIGN TRADE

Imports into the Netherlands during 1925 exceeded exports by fl. 647,614,019 as compared with an import balance of 702.9 million in 1924. The imports in 1925 and 1924 were valued at 2,455 and 2,364 million guilders respectively and exports at 1,808 and 1,661 millions. Month by month throughout the year the exports of 1925 continued to exceed in value the exports of 1924 until October was reached and the effect of the new German tariff began to be felt. Exports during October and November 1925 were 10 and 11 million guilders less than in the same months of 1924 but 5 millions more again in December. That the decline was due to the German tariff is seen from the monthly statistics. From July to September exports to the neighbouring republic averaged 51 million guilders. In November they totalled only 30 millions.

In common with other grain centres, Rotterdam has experienced a nervous season and importers and agents have had a difficult time trying to sift the truth from a mass of reports and rumours which circulated regarding the Russian, Argentine, and Australian crops and now considerable comment is current regarding the marketing of the Canadian crop. Germany's inability to buy wheat is a strong factor in this market.

Although the last quarter was not up to the year's average, the foreign trade of the Netherlands during 1925 was generally considered as being most satisfactory.

ECONOMIC CONDITIONS IN ITALY

The latest data published by the Italian Treasury show that the receipts for the first half of the current fiscal year exceeded estimates by nearly one thousand million lire. The Treasury cash account which stood at 3,246 million lire on November 31, 1925 stood at 4,429 million on December 31 last. On the other hand the National Debt has increased by 29 million lire since November. The budget situation showed a surplus of 228 million lire on December 31, as compared to a deficit of 184 million on the corresponding date of 1924 and this was in spite of an increased expenditure of 1,581 million lire.

The estimates of the Ministries of Education and National Economy show increases of 102.5 million lire and 52.5 million lire respectively, while the estimates of the Ministry of Public Works reflect the renewed activities of that Department in connection with the valorisation of South Italy. For the first time Government expenditure on the construction of new railway lines is budgeted for in the estimates of this department which show an increase of 67.5 million lire over those for 1925-26. This increase is accounted for by further outlays proposed for the upkeep of roads, by subsidies to railways leased to private companies and for carrying out the work now on hand in the south and on the islands.

Intense activity is being displayed by industry and commerce with a view to extending and completing the organization of all branches of production and trade required to give full effect to the new labour laws. At the same time a National Institute for Foreign Trade and a National Institute for the Scientific Organization of Industry are being established under the auspices of the General Fascist Confederation of Industries.

The figures of the foreign trade of Italy for the first eleven months of 1925 show an unfavourable balance of 7,244.1 million lire, nearly double that for the corresponding period of 1924 when it stood at 4,345 million. Undoubtedly the heavy fall in lire exchange in the early part of the year accounts to a considerable extent for the swollen import values. With the new debt funding arrangements favouring greater stability in exchange rates it may be expected, however, that the situation will improve as far as this factor is concerned.

An examination of the details of November imports shows a decline in those coming under the heading "animals, foodstuffs, and tobacco" which fall from 472.4 million lire in November 1924 to 407.7 in the corresponding month of 1925, while our exports under this head increased from 452.5 to 460.4 million lire. For the eleven months food imports rose from 4,060.8 million to 6,022.1 and food exports from 3,301.3 to 4,196.8 million lire. Imports of textile fibres and textiles have increased during the period under consideration by a little over one thousand million lire, and exports of same by 1,744.5 million. This is the one active item in the Italian trade balance, exports, having exceeded imports by 1,533.8 million lire. The imports of ores, metals, and their products continue to increase, the figure for November 1925 being 303.2 million lire as against 199.1 in November 1924. Our exports of these products, though lagging far behind imports, are increasing: 117.6 million lire in November 1925 against 88.2 in the corresponding month of 1924. The excess of imports over exports of these items during the eleven months under consideration is valued at 2,294.0 million lire.

Negotiations are now in hand for a treaty of commerce between Italy and Greece and an Italian Committee is now in Athens for the preliminary steps in this direction. At present Italy occupies the third place among the countries from which Greece imports the manufactured goods she requires.

MOTOR CAR TRADE IN CHINA

TRADE COMMISSIONER L. M. COSGRAVE

Shanghai, January 26, 1926.—The Chinese Maritime Customs have recently published statistics showing the importation of motor cars for the ten-month period January to November, 1925, which are as follows:—

Number of Motor Cars Imported into Shanghai

Imported from	1920	1921	1922	1923	1924	1925 Jan. Nov.
Great Britain.. . . .	115	98	38	51	264	288
United States.. . . .	999	341	335	731	684	504
Japan.. . . .	6	4	7	..	1	26
Canada.. . . .	189	45	34	4	53	292
France.. . . .	18	38	25	73	222	215
Germany.. . . .	1	43	103	48	9	17
Belgium.. . . .	3	13	9	9	1	7
Italy.. . . .	2	9	42	20	16	14
Philippines.. . . .	..	7	8	4	3	30
Singapore.. . . .	3	..	3	4	..	2
Sweden.. . . .	..	..	..	..	3	..
Holland.. . . .	..	..	..	..	..	6
Total.. . . .	1,336	598	604	944	1,256	1,401

Percentage of Total Imports

	1920	1921	1922	1923	1924	1925 Jan. Nov.
United States.. . . .	74.80	56.55	54.73	77.44	54.24	35.21
Great Britain.. . . .	8.61	16.25	6.20	5.40	20.93	20.52
Canada.. . . .	14.15	7.53	5.63	.42	4.22	20.84

It will be seen that Great Britain has shown a marked increase in her exports to this country in the last two years, following a serious drop during the 1921-23 period; whereas the United States, which practically controlled this market in 1920, has dropped from 999 cars in that year to 504 in 1925. Canada's exports

of motor cars to China have shown a similar trend to those of Great Britain. Automotive dealers ascribe this increase to the fact that the Canadian car has a tendency to give greater mileage and to include in its workmanship more of the British standard of quality.

The French low-priced types show a steady gain and are strongly represented in the main China outports. In 1924 motor car imports from France represented 17.6 per cent of the total trade, while in 1925 the percentage for the first ten months was 15.3. Germany in 1922 had 16.8 per cent of the trade, but they do not appear to be gaining in popularity. Their peculiar shape is not to the liking of the Chinese, who are inclined towards a more luxurious finish. This is due to the tax which the German Government places on cubic space, and to overcome which the German manufacturers had perforce to sacrifice elegance of design.

On several occasions in the past few years trade journals have referred very pessimistically to the future of the motor car trade in China on account of the lack of suitable roads and the hard treatment which a car receives in China. The aggressive efforts of motor car dealers in the main outports of China, however, appear to have overcome this supposed handicap and the annual imports of cars actually show a steady and normal increase during the past four years.

Commenting on the motor car trade of China, the Chinese *Economic Bulletin* says:—

"In comparison with the size of China and its vast population, the motor car trade in China is still in an infant stage and remains to be developed. The cause is attributed to the lack of roads suitable for motor traffic. But within the last few years a movement has been started to build good roads, which has caused a growing demand for motor cars, motor trucks, and motor cycles in many parts of the country.

"The actual number of motor cars now in China, according to the latest official figures, is 8,508, in addition to which there are also 1,130 motor trucks and busses and 1,110 motor cycles."

In spite of the prolonged internal disturbances, strong efforts are being made in the more progressive provinces to link up the principal cities by motor roads. When this is completed it will automatically stimulate the import of motor cars, which for years to come must necessarily afford the only rapid means of transport.

The Chinese taste at present seems to be for a medium grade car suitable for decoration and ornamentation. This is apart from the demand for purely serviceable cars. In this regard the very cheapest are asked for, and cars are expected to last longer in China than in probably any other country. Chinese as well as foreigners are alike in demanding efficiency from a car and most of them think in "miles per gallon" when purchasing new cars. This undoubtedly favours the British car, and with it other cheaper continental makes.

During the past two years British manufacturers have studied this market very closely and the high engineering knowledge tending always to the reduction of petrol consumption, coupled with general improvements, have in no small measure helped to increase the trade in China.

Petrol consumption is an exceedingly important factor which should be borne in mind by all exporters to this country. As practically all petrol supplies are imported and with very little competition between the larger suppliers, the price is practically standardized at Mex. \$0.80 cents per (American) gallon, approximately G. \$0.45 Canadian currency, and as a result purchasers of cars are primarily interested in the petrol consumption and the answer very often influences the sale.

The large dealers have advised the writer that there will probably be a greater increase in the imports of motor cycles in China. This is due to the fact that they can be transported with little difficulty into the remote corners of China and present little mechanical difficulties to the average Chinese. Also, the small petrol consumption appeals greatly to the thriftiness of the Chinese users in the interior.

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

178. FLOUR.—A firm in Genoa are anxious to open up business connections with Canadian exporters of flour.

179. FLOUR.—A broker at Havana, Cuba, wishes to represent a Canadian flour mill in that republic.

180. FLOUR, OATMEAL, CEREAL FOODS, ETC.; CEREALS (WHEAT, OATS, BARLEY, RYE).—A Dublin importing firm should be furnished with c.i.f. quotations.

181. OATMEAL, ROLLED OATS, OATS, LINSEED, LINSEED CAKE MEAL, FLOUR.—A Limerick importer should be furnished with c.i.f. quotations.

182. BUTTER, FLAKE OATMEAL, FLOUR, CANNED SALMON, CANNED FRUIT, DRIED FRUIT, CURRANTS, CHEESE, CONDENSED MILK.—A Dublin importing firm should be furnished with c.i.f. quotations for above.

183. BUTTER.—A broker in Hamburg, Germany, is desirous of securing a connection for the representation of a Canadian butter exporter.

184. BUTTER.—A Manchester firm wish to establish connections with Canadian exporters on either buying or agency basis.

185. CHEESE.—A Manchester firm wish to secure a connection with cheese shippers.

186. CONDENSED MILK AND GROCERY LINES.—A New Zealand firm desire quotations for these commodities.

187. POTATOES, ONIONS, FLOUR, OATS, CODFISH, SMOKED HERRINGS.—A firm at Havana are desirous of negotiating with Canadian exporters of these commodities with the object of representation on a commission basis.

188. ONION POWDER.—A London firm who seek a Canadian source of supply of dried onion powder (or flour) invite samples and prices c.i.f. London from Canadian firms who are actually producing the commodity.

189. SUGAR.—A Genoa firm of commission agents are interested in the importation of sugar.

190. HONEY.—An agent in Hamburg, Germany, wishes to act as representative for a Canadian exporter of honey.

191. CANNED GOODS AND HONEY.—An Edinburgh firm are interested in all kinds of canned goods of finest quality, and in honey in bulk or sections.

192. DRIED FRUITS, TINNED FRUITS, ETC.; TINNED GOODS GENERALLY.—A firm of Dublin agents desire to purchase above commodities.

193. FRUIT AND VEGETABLES, DRIED AND CANNED.—A New Zealand firm of manufacturers' representatives would like to secure the agency for either the Otago Province or the whole of New Zealand for dried apples and canned fruits and vegetables, and similar allied lines.

194. DRIED AND SALTED FISH.—Canadian firms interested in the Italian market are requested to communicate direct with an old-established firm in Leghorn who wish to act as their exclusive agent for the sale of dried and salted fish.

195. CANNED SALMON.—A firm at Leghorn, Italy, are desirous of communicating with Canadian exporters of canned salmon.

196. CANNED SALMON.—A broker in Hamburg is anxious to secure a connection with a Canadian exporter of canned salmon.

197. FROZEN SALMON.—The London office of a Japanese company is desirous of being placed in touch with United Kingdom agents of Canadian shippers of frozen salmon who are able to offer supplies regularly.

198. CANNED LOBSTER AND CANNED SALMON.—A firm in Denmark desire to represent Canadian exporters of canned lobster and canned salmon.

199. CANNED LOBSTERS.—A broker in Hamburg is anxious to secure a connection with a Canadian exporter of canned lobsters.

200. CODFISH.—A firm of brokers in Havana are desirous of corresponding with Canadian exporters of codfish who are interested in the Cuban market.

201. OATS, POTATOES, CODFISH, SMOKED HERRING.—A firm of brokers at Havana are desirous of negotiating with Canadian exporters of these commodities.

Miscellaneous

202. OATS.—A broker at Havana is desirous of representing Canadian exporters of oats.

203. WHEAT AND CEREALS.—A firm of commission agents in Genoa wish to be put in touch with Canadian exporters of wheat and cereals.

204. WHEAT.—A firm at Catania, Italy, are desirous of communicating with Canadian exporters of wheat.

205. WHEAT.—A Dublin importing firm should be furnished with lowest c.i.f. quotations.

206. CORN MEAL FOR CATTLE FOOD.—A Liverpool merchant invites c.i.f. offers on corn meal, similar to sample forwarded to the Department of Trade and Commerce, Ottawa.

207. SEEDS.—A New Zealand firm wish to hear from Canadian shippers of farm seeds of various kinds with a view to representing them for the entire Dominion or alternatively for the South Island.

208. SEEDS, ETC.—An Irish firm of importers are desirous of hearing from Canadian shippers of seeds, manures. C.i.f. quotations requested.

209. BONE GREASE.—A Genoa firm wish to communicate with Canadian producers of bone grease for the manufacture of soap.

210. SLATES, CEMENT PLASTER, ASBESTOS SHEETS AND SLATES, BRICKS, TILES, BEAVERBOARD, PLASTER SLABS.—Canadian exporters of above are invited to communicate with a Limerick importing house. C.i.f. quotations requested.

211. IRONMONGERY AND BUILDERS' HARDWARE; TOOLS; WIRE (FENCE AND BARBED); KITCHENWARE.—A Limerick import house desires to hear from Canadian manufacturers. C.i.f. quotations desired.

212. LUMBER.—A timber importer in Milan is anxious to receive offers and quotations for lumber supplies, especially birch logs for the manufacture of veneer.

213. TIMBER, SHAFTS, BENTWOOD DOORS, JOINERY.—A Limerick firm of importers are interested in receiving c.i.f. quotations for above.

214. MECHANICAL WOOD-PULP.—A London firm who anticipate being shortly in the market for large quantities of wet mechanical pulp (50 per cent dampness), dry mechanical pulp, and also yellow mechanical pulp, ask to be placed in touch with actual Canadian manufacturers who can quote for their requirements.

215. BIRCH SUITABLE FOR THE MANUFACTURE OF DOWELS.—The director of an English firm of timber merchants and saw-millers proposes visiting Canada in March and April with the object of arranging for supplies of birch offcuts and waste suitable for the manufacture of dowels.

216. CANADA BALSAM.—A London firm of scientific instrument manufacturers purchase Canada balsam regularly, and would be glad to receive offers, accompanied by samples and lowest quotations c.i.f. London, from actual producers.

217. FARM MACHINERY.—A firm in Limerick desire to hear from Canadian exporters of the following: agricultural implements, dairy machinery. C.i.f. quotations requested.

218. ICE CREAM FREEZERS.—An important North of England firm are interested in handling Canadian ice cream freezers as either merchants or distributing agents. C.i.f. Manchester quotations along with full particulars necessary.

219. ICE CREAM FREEZERS.—A Manchester firm of hardware merchants invite c.i.f. offers from Canadian manufacturers.

220. ICE CREAM FREEZERS.—A North of England firm of hardware merchants, maintaining branches throughout the United Kingdom, are interested in hearing from Canadian manufacturers as buyers. Prices must be quoted c.i.f. Manchester along with full particulars.

221. DRESSED HORSE LEATHER SHELLS.—A London company ask to be placed in touch with Canadian leather manufacturers who can regularly supply dressed horse leather shells or crups suitable for cutting into razor strops. Samples and prices c.i.f. United Kingdom port should be supplied, and large permanent business can be secured if quality and prices are competitive.

222. NEWSPRINT PAPER.—A Havana firm of brokers are desirous of corresponding with Canadian exporters of newsprint paper who are interested in the Cuban market.

223. NEWSPRINT PAPER.—A firm of brokers in Havana are desirous of negotiating with Canadian exporters of newsprint paper.

224. PAPER BAGS.—Glasgow agent, formerly representing Canadian firms in the West Indies, wishes to secure for Scotland the representation for a manufacturer of paper bags, grocery and sugar.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING MARCH 1, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending March 1, 1926. Those for the week ending February 22, 1926, are also given for the sake of comparison.

	Parity		Week Ending February 22, 1926	Week Ending March 1, 1926
Britain£	1.00	\$4.96	\$4.8637	\$4.8750
Czecho-Slovakia .. . .Crown	1.	.203	.0296	.0296
France .. . . . .Fr.	1.	.193	.0359	.0367
Italy .. . . . .Lire	1.	.193	.0421	.0402
Holland .. . . . .Florin	1.	.402	.4007	.4004
Belgium .. . . . .Fr.	1.	.193	.0457	.0454
Spain .. . . . .Pes.	1.	.193	.1410	.1410
Portugal .. . . . .Esc.	1.	1.08	.0515	.0515
Switzerland .. . . .Fr.	1.	.193	.1925	.1925
Germany.. . . . .Reichs Mk.	1.	.238	.2382	.2382
Greece .. . . . .Dr.	1.	.193	.0143	.0143
Norway.. . . . .Kr.	1.	.268	.2140	.2165
Sweden.. . . . .Kr.	1.	.268	.2676	.2685
Denmark .. . . . .Kr.	1.	.268	.2600	.2598
Japan .. . . . .Yen	1.	.498	.4637	.4600
India .. . . . .R.	1.	2s.	.3690	.3680
United States \$	1.	\$1.00	1.0037	1.0037
Mexico.. \$	1.	.498	.4860	.4855
Argentina .. . . . .Pes.	1.	.424	.4081	.4087
Brazil .. . . . .Mil.	1.	.324	.1485	.1468
Roumania .. . . . .Lei	1.	.193	.....	.....
Jamaica£	1.	4.86	4.8850	4.8775
British Guiana \$	1.	1.	1.0062—1.0187	1.0050—1.0175
Barbados.. \$	1.	1.		
Trinidad \$	1.	1.		
Dominica \$	1.	1.		
St. Kitts \$	1.	1.		
Grenada.. \$	1.	1.		
St. Vincent.. . . . \$	1.	1.	1.0062—1.0187	1.0050—1.0175
Tobago \$	1.	1.		
Shanghai, China.. . .Tael	1.	.708	.7550	.7475
Batavia, Java .. . . .Guilder	1.	.402	.4037	.4030
Peru.. . . . .Pound	1.	4.86½	3.8425	3.8425
Singapore, Straits Settlements .. \$	1.	.567	.5737	.5775

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From St. John

To LONDON.—Bosworth, March 20; Brecon, April 3—both Canadian Pacific; Canadian Trapper, March 17; Canadian Raider, March 31—both C.G.M.M.; Verentia, Cunard Line, March 10.

To CARDIFF AND SWANSEA.—Canadian Commander, March 10; Canadian Mariner, March 24; Canadian Victor, April 7—all C.G.M.M.

To LIVERPOOL.—Montcalm, March 12; Montclare, March 19; Montnairn, March 26; Montrose, April 2—all Canadian Pacific.

To SOUTHAMPTON.—Marloch, March 18; Minnedosa, April 1—both Canadian Pacific.

To MANCHESTER.—Manchester Producer, Manchester Liner, March 20.

To GLASGOW.—Morevia, March 9; Gracia, March 23; Carmia, March 30—all Canadian Pacific.

To BELFAST AND DUBLIN.—Lord Londonderry, Head Line, March 21.

To AVONMOUTH.—Parthenia, March 24; Kastalia, April 8—both Anchor-Donaldson.

To ANTWERP.—Canadian Trapper, March 17; Canadian Raider, March 31—both C.G.-M.M.; Marloch, March 18; Minnedosa, April 1—both Canadian Pacific.

To HAVRE.—Hastings County, Intercontinental Transports, Ltd., March 17.

To ROTTERDAM.—Hastings County, Intercontinental Transports, Ltd., March 17.

To HAMBURG.—Balfour, March 20; Brandon, April 7—both Canadian Pacific; Grey County, March 13; Laval County, March 30—both Intercontinental Transports, Ltd.
 To ITALIAN PORTS.—Valperga, Lloyd Mediterraneo Italian Service, March 25.
 To COPENHAGEN AND BALTIC PORTS.—Arkansas, Scandinavian-American Line, April 4.
 To ST. KITTS, ANTIGUA, MONTSERRAT, DOMINICA, ST. LUCIA, ST. VINCENT, AND GRENADA.—Teviot, March 14; Chaudiere, March 28—both R.M.S.P. Co.
 To CUBA.—Emperor of Port McNicoll, March 10; a steamer, March 20—both Robert Reford Co.; a steamer, H. E. Kane & Co., March 10.
 To AUSTRALIAN AND NEW ZEALAND PORTS.—Leise Maersk, New Zealand SS., March 20.
 To SIERRA LEONE AND SOUTH AFRICAN PORTS.—Calgary, Elder, Dempster Co., March 15.

From Halifax

To PLYMOUTH, CHERBOURG AND LONDON.—Ausonia, Cunard Line, March 22.
 To HULL.—Hoosac, March 8; Valemor, March 25—both Furness, Withy.
 To LIVERPOOL.—Rhode Island, March 8; Newfoundland, March 16—both Furness, Withy; Canada, March 7; Regina, April 4—both White Star-Dominion.
 To COBH (QUEENSTOWN).—Carnania, Cunard Line, March 15.
 To MANCHESTER.—Manchester Regiment, March 8; Manchester Merchant, March 15; Manchester Division, March 22—all Furness, Withy.
 To LONDON.—Hoosac, March 8; Valemor, March 25—both Furness, Withy.
 To ST. JOHN'S, Nfld.—Newfoundland, Furness, Withy, March 16; Skipper, April 2; Sable I., April 9—both Farquhar S.S.
 To BERMUDA, ST. KITTS, ANTIGUA, MONTSERRAT, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Chignecto, March 12; Teviot, March 26—both R.M.S.P. Co.
 To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Forester, C.G.M.M., March 20.
 To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD, DEMERARA AND MARTINIQUE.—Canadian Runner, C.G.M.M., March 19.
 To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Volunteer, C.G.M.M., April 2.
 To SANTIAGO, KINGSTON AND MONTEGO.—Andalusia, Pickford & Black, March 10, April 7.
 To NEW ZEALAND PORTS.—Canadian Britisher, C.G.M.M., March 25.
 To AUSTRALIAN PORTS.—Canadian Inventor, March 10; Canadian Scottish, March 31—both C.G.M.M.

From Vancouver

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Asia, Canadian Pacific, April 3.
 To YOKOHAMA, KOBE, MOJI, SHANGHAI AND NAGASAKI.—Arabia Maru, Osaka Shosen Kaisha, March 16.
 To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Arizona Maru, Osaka Shosen Kaisha, March 30.
 To YOKOHAMA, KOBE, SHANGHAI AND HONG KONG.—Empress of Australia, Canadian Pacific, March 20.
 To YOKOHAMA, KOBE, MIKE AND HONG KONG.—Philoctetes, Blue Funnel, March 11.
 To YOKOHAMA, KOBE AND HONG KONG.—Tyndareus, Blue Funnel, April 1.
 To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Aorangi, March 10; Niagara, April 7—both Canadian-Australasian Line.
 To WEST COAST UNITED KINGDOM PORTS.—Canadian Freighter, C.G.M.M., March 25.
 To LONDON.—Canadian Winner, C.G.M.M., March 10; Sachsen, March 10; Isis, April 2—both United American Lines.
 To MANCHESTER.—London Importer, March 11; Southwestern Miller, March 31—both Furness Line.
 To BORDEAUX, HAVRE AND ANTWERP.—Nevada, March 8; Georgia, March 13; La Mar-seillaise, March 30—all Cie. Gle. Transatlantique (French Line).
 To HAMBURG AND BREMEN.—Sachsen, March 10; Isis, April 2—both United American Lines.
 To ANTWERP.—Canadian Winner, C.G.M.M., March 10; Sachsen, March 10; Isis, April 2—both United American Lines.
 To GENOA, NAPLES, LEGHORN AND TRIESTE.—Piave II., Navigazione Libera Triestina, March 15.
 To WEST COAST OF SOUTH AMERICA (Antofagasta, Arica, Piata, Callao, Talara).—Indra, West Coast of South America Service, March 14.
 To WEST INDIES AND EAST COAST OF SOUTH AMERICA.—West Notus, Pacific-Argentine-Brazil Line, early March.
 To AUSTRALIAN AND NEW ZEALAND PORTS.—West Nivaria, Pacific-Australia Line, March 19.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

H. R. Poussette. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

P. W. Cook. Address for letters—P. O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300. Office—North China Daily News Building, 17 The Bund, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Gutrufhaus, Neuerwall 10, Hamburg. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czechoslovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watmill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230; office, Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

Netherlands East Indies

R. S. O'Meara, P. O. Box 84, Batavia, Java. (Territory covers Straits Settlements, British Borneo, Netherlands East Indies, and Siam.) *Cable Address, Canadian.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P. O. Box 683; Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia). *Cable Address, Sleighing, London.*

J. Forsyth Smith, Century Bldgs., 31 North John street, Liverpool. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales). *Cable Address, Cantracom.*

Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands). *Cable Address, Canadian.*

Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, March 13, 1926

No. 1154

TABLE OF CONTENTS

	Page		Page
Industrial Conditions in Scotland	329	Trade Commissioner H. R. Poussette's Forth-	
Market for Ice Cream Freezers in North of		coming Visit to Canada	342
England	330	Economic Conditions in Russia during 1925	342
Canadian Cattle in North of England	331	Markets of Sumatra—Part II.	347
Trade Conditions in South Wales and West		Trade Conditions in Germany	352
of England	332	Canadian Trade with Cuba	353
British Industries Fair	333	Japanese Tariff Revision:—The Situation as	
United States Duty on Butter to be in-		regards Wheat	356
creased	333	Trade Enquiries for Canadian Products . .	357
Market for Douglas Fir in Jamaica	333	Foreign Exchange Quotations for Week end-	
External Trade of South Africa—Part XIV .	336	ing March 8, 1926	358
		Proposed Sailings from Canadian Ports . .	358
		Commercial Intelligence Service	360

INDUSTRIAL CONDITIONS IN SCOTLAND

TRADE COMMISSIONER G. B. JOHNSON

Glasgow, February 15, 1926.—The outstanding feature of the past month in Scotland was the placing of a large number of orders for ships with the Clyde yards. The improvement in the immediate outlook is pronounced, both for ship-building firms and the marine engineering industries. Contracts for fifteen new vessels were made public in one day, and the construction of these ships, and others announced later, will give much-needed employment to many thousands of men for the better part of two years, not only in the yards themselves, but in the marine engineering works, the steel factories, and in the many other industries which provide material of one sort and another for ships.

While the improvement is most marked, ships in this number do not constitute anything in the nature of a boom for the vast shipbuilding facilities of the Clyde river, but it is hoped that this renewed activity is a foretaste of better things to come. The orders included four 10,000-ton twin-screw motor ships, five 2,500-ton single-screw motor ships, four river gunboats for the Admiralty, a dredger, a tank steamer, and a cargo steamer, etc. A satisfactory feature of the January returns of launchings and orders was the fact that the orders greatly exceeded the launchings, which, it is believed, is the first month during which this has occurred for a considerable time. In January there were launched in Scotland eighteen vessels of 24,800 tons, of which twelve were built on the Clyde.

Nothing that is new can be said about the coal-mining industry in Scotland, so far as any change in its present condition is concerned. Its future and that of the whole of the industry in the United Kingdom must await the report of the Coal Commission now sitting, who are working day and night upon the report. It is expected that it will be made public before the end of the present

month, after which the Government will consider its recommendations. At present a hopeful feeling prevails that there will be no strike. There are many evidences that the owners and the miners will come together long before the expiry of the subsidy period (the end of May) and thrash out district settlements based on greater production without any sacrifice of wages or increase in working hours. The feeling is strong that many of the uneconomic pits which would normally have been abandoned, but were kept open for war purposes, will be closed and the miners transferred to mining districts in which the pits can be worked at a profit. Such a transference of labour, if it comes about, may involve help from the Government, especially to provide housing accommodation.

As stated before, the marine engineering industry is naturally feeling the benefit of the increased shipbuilding activity. Several important locomotive contracts have also been placed. For instance, the North British Locomotive Company are to build sixty engines for the London, Midland and Scottish Railway Company, and another firm at Kilmarnock have a contract for twenty-five of the six-wheel superheater type for the same railway.

The more hopeful feeling prevailing in the iron and steel industry in Scotland in the last few weeks, reported in the annual review from this office dated December 31, still continues, and the outlook is decidedly better. Besides the demand for steel plates and other material for shipbuilding, as a result of large new shipbuilding orders, the steel mills are fairly well employed on structural material and rails. The export demand for black and galvanized sheets continues, and the home demand is also increasing. Exports of pig-iron from Glasgow during January were practically double those of the same month a year ago.

The prospects for industry generally are undoubtedly more promising than they have been at any time during the past five years.

MARKET FOR ICE CREAM FREEZERS IN THE NORTH OF ENGLAND

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, February 15, 1926.—The per capita consumption of ice cream in this country is very much smaller than in Canada, and up to the present sales fluctuate considerably according to whether the spring and summer seasons are wet or dry. At the same time, the demand for ice cream and the consequent need for freezers is developing each year. The freezers in most general use on this market are of American manufacture, although a small trade is also done in English freezers of the sheet metal type in sizes suitable for household use. In addition, one well-known Swedish freezer is sold at prices competitive with American makes.

There are no large manufacturers of ice cream in this district making a specialty of a particular brand and extensively advertising it as in Canada. Some hotels and large restaurants make their own ice cream, usually employing power-driven freezers of from 20- up to 40-quart capacity, although such establishments often depend on hand-driven freezers of smaller sizes.

American hand freezers sold on this market range in size from 1 to 14 quarts. The most popular sizes are the 6-, 8-, and 10-quart freezers used by the many small confectionery shops and in households. It is in these sizes that the bulk of the trade is done. Prices vary considerably according to the quality. One well-known American make which is very popular in this area is sold at approximately the following retail prices:—

1	2	3	4	6	8	10	12	14	Quarts
23s. 6d.	23s. 6d.	36s.	41s. 6d.	52s.	67s. 6d.	88s. 6d.	108s.	125s.	each

From these list prices there are usually discounts of 50 per cent and 20 per cent for the retailer and wholesaler, respectively.

A slightly cheaper American line is retailed as follows:—

1	2	3	4	6	8	10	12	Quarts
20s.	25s.	31s.	37s.	46s.	60s.	75s.	98s.	each

The quart sizes mentioned above are American measure. One English-made vacuum freezer is retailed at 17s. 6d. in 1-quart imperial measure sizes and in 4-quart sizes at 32s. 6d. Swedish prices to wholesalers delivered free warehouse at Manchester are approximately as follows: 8 quarts (American measure), 21s.; 10 quarts, 28s. 6d.; 12 quarts, 33s.; 14 quarts, 48s. American power freezers are offered in sizes ranging from 8 quarts at £22, retail, up to 40 quarts at £66. They are equipped for power application but do not come with motors.

The market is well supplied with a number of competitive American makes, such as "Lightning," "White Mountain," "North Star," "Blizzard," "Star," etc., and a new firm attempting business in this area will need to show an article which has decided advantages in price or quality. The names of three large established North of England hardware firms who are willing to consider offers from Canadian manufacturers have been forwarded to the Department of Trade and Commerce, Ottawa. Interested Canadian firms are also invited to communicate with this office and are asked to submit c.i.f. Manchester prices, along with full particulars regarding their product.

CANADIAN CATTLE IN THE NORTH OF ENGLAND

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, February 8, 1926.—During January 940 store and 1,479 fat cattle were landed at Birkenhead from Canada, and 64 store and 1,886 fat cattle arrived at Manchester during the same period.

The importation of Canadian cattle to Birkenhead and Manchester during 1924 and 1925, respectively, was as follows:—

	Birkenhead			Manchester		
	Fat	Store	Total	Fat	Store	Total
1924..	27,695	22,406	50,101	2,772	7,835	10,607
1925..	17,339	24,890	42,229	9,786	12,527	22,313

As will be seen from the above figures, the imports to Birkenhead show a total decrease of 7,872 head, while the total imports to Manchester have more than doubled. An important firm of cattle dealers, when interviewed, attributed the falling off of imports at Birkenhead to the more favourable prices paid for Canadian cattle at Glasgow by Scotch farmers who take stores for further feeding. These stores are soon afterwards disposed of in the London market, where Scotch beef has an enviable reputation. The approximate average prices per pound, sinking the offal, on Canadian cattle sold at Birkenhead during 1925 were as follows:—

1925	Eastern	Western
January..	10½d.	..
February..	10½d.	..
March..	10½d.	..
April..	11½d.	..
May..	11½d.	..
June..	10½d.	10½d.
July..	10½d.	..
August..	10½d.	..
September..	10 d.	8½d.
October..	9½d.	8½d.
November..	9½d.	9 d.
December..	10 d.	8½d.
Average..	10½½d.	9 d.

The dealer mentioned above spoke in the very highest terms regarding the quality of Canadian store and fat cattle arriving at Birkenhead between July and September last year, and stated that as a result numbers of country buyers

were attracted to Canadian stock who formerly could not be interested. Following September, the quality fell off with consequent lower prices, as will be seen from the above table.

The majority of Canadian cattle arriving at this port during 1925 consigned as stores has been slaughtered on arrival, and in the case of those sent to inland points the larger percentage have been killed without further feeding. Cattle shipments to this district from Ireland, both store and fat, showed a distinct reduction over 1924, and it is not anticipated that this year's Irish supplies will be of such quantities as to compete seriously with Canadian shipments, if the previous good quality is forthcoming from the Dominion.

Although in past years Manchester has been considered a more difficult market for Canadian cattle owing to its preference for a leaner and smaller beast, the growth in Canadian shipments to this port during 1925 tends to show that our cattle may expect a steadily increased outlet in this area.

Owing to outbreaks of foot and mouth disease during the latter months of the year, Canadian stores, except for immediate slaughter, have not been handled at Manchester. It is estimated that average prices per head for Canadian cattle at Manchester during 1925 were about £4 lower than in 1924. During the last few months of 1925 a very heavy percentage of the fat cattle arriving at this port were females and a high proportion of these were in calf. Of the total arrivals of store cattle at Manchester during 1925, 2,138 were licensed to premises for further feeding as compared with 2,366 during 1924.

TRADE CONDITIONS IN SOUTH WALES AND WEST OF ENGLAND

TRADE COMMISSIONER DOUGLAS S. COLE

Bristol, February 22, 1926.—The termination of the American anthracite strike will close to South Wales a market which has been taking recently substantial shipments of hard coal. To what extent the American market has been absorbing Welsh coal is brought out by the fact that January total shipments amounted to over 120,000 tons valued roughly at \$1,250,000, against 11,700 tons for the first month of 1925. It is believed that another month will pass before Pennsylvania supplies are available in quantity and there will be scarcely a break between the termination of the American shipments and the reopening of the Montreal traffic.

French railways which formerly relied on South Wales for large locomotive coal are turning to other sources of supply, yet an optimistic side of the trade is indicated by a contract for 100,000 tons to be delivered from Cardiff to one French railway over the current year. Collieries are understood to be well booked up to the end of April and the output is now exceeding over 1,000,000 tons per week, compared with approximately 700,000 tons last September.

In the Bristol area import trade is steady. The grain trade is somewhat upset over the impending failure of one of its largest and oldest firms in the trade, whose financial troubles are believed to extend back to the latter part of 1925, when everybody loaded up with grain and many were caught in the price slump.

In the Midlands the attention of traders is largely concentrated on Castle Bromwich, Birmingham, where the British Industries Fair is being held. A full report will be published in the *Commercial Intelligence Journal* upon the termination of the trade exhibition.

In Coventry, the president of the Chamber of Commerce, in presenting the annual report, stated recently that the Coventry area was largely dependent upon engineering productions, which represented its principal trading output. A disturbing factor was the investment of \$200,000,000 of American capital in German industrial enterprises during 1925. This sum related to engineering products, and Germany was able as a result of this outside financing to increase her exports.

Coventry is largely interested in the motor car trade in both the home and export markets. It is reported that the American export trade in motors last year represented 4 per cent of their production and if it was increased to 8 per cent it would represent the whole of the exports of motor cars produced in almost all the countries of the world.

In the heavy industries business is normal compared with last month and prices are steady. Manufacturers of builders' hardware are finding difficulty in keeping up with German and Swedish activity. Domestic hardware and enamelled ware firms report that business is quiet but steady.

BRITISH INDUSTRIES FAIR

Trade Commissioner Harrison Watson, writing under date of February 18, states that the British Industries Fair was opened at White City, London, on Monday, February 15, and continues until the 26th.

As the fair has been so successful in previous years, the British Government has provided a larger grant than usual with the object of attracting overseas buyers, and for similar propaganda purposes. More than 200,000 personal invitations were sent to overseas and home buyers and arrangements were also made with the railway companies to issue return railway tickets at reduced cost, upon presentation of the official invitation. That these methods have been effective can be seen by the considerable proportion of foreign purchasers present.

An added feature of the exhibition is that the general public are admitted, upon payment of a small fee, from five in the afternoon until closing time at eight o'clock.

This year a Dominion section of the fair has been established. These new arrangements enable Dominion and Colonial manufacturers and shippers to display their products in a concentrated exhibit, instead of being confined to the particular section of the industry in which they are engaged.

The Canadian display has again been undertaken by the Canadian Chamber of Commerce in London, and although the space is somewhat small, quite a number of firms are making displays.

UNITED STATES DUTY ON BUTTER TO BE INCREASED

Mr. M. M. Mahoney, of the Canadian Department of External Affairs, has telegraphed from Washington as follows: "Acting under flexible provisions of the Tariff Act and on basis of Tariff Commission's recent investigation into costs production of butter, President on Saturday, 6th instant, issued proclamation ordering increase in rate of duty from 8 to 12 cents per pound, effective on and after April 5."

MARKET FOR DOUGLAS FIR IN JAMAICA

TRADE COMMISSIONER JAMES CORMACK

Kingston, January 26, 1926.—Although about five years ago there were one or two small shipments of Douglas fir to Jamaica, the wood is practically unknown commercially here to-day. The market is supplied by southern yellow pine and a small quantity of Canadian white pine in rough and dressed, but another effort is now being made to reintroduce Douglas fir to this colony. There seems to be little doubt that if the business is properly started and competition maintained, regular fortnightly shipments of 300 M feet of Douglas fir could be imported into Jamaica.

UNMANUFACTURED LUMBER IMPORTS DURING 1925

The following figures show the amount of lumber imported during 1925. As the official statistics have not yet been published, it has been impossible to obtain the values.

Pitch Pine, Rough	Feet	White Pine, Dressed	Feet
From United States	6,283,153	From Canada	82,785
From Nicaragua	273,420	From United States	10,747
From Canada	9,008		
From India	1,184	Total	93,532
Total	6,566,765		
Pitch Pine, Dressed	Feet	Mahogany, Dressed	Feet
From United States	5,807,841	From British Honduras	1,127
From Nicaragua	3,786		
From Canada	11,713	Lumber, N.O.P. (Dressed)	Feet
		From United States	11,000
Total	5,823,340		
Pitch Pine, Dressed (Government Imports)	Feet	Shingles, Cypress & Wallaba	No.
From United States	22,605*	From United States	1,652,903
White Pine, Rough	Feet	Shingles, Cedar	No.
From Canada	127,028	From Canada	464
From United States	2,028		
Total	129,056		

* Figures for three-quarters of the year only.

SPECIFICATIONS

In general it may be said that local specifications are those commonly used in the southern United States. Lengths vary from 10 feet to 26 feet. Canadian white pine imported at the present time is of the grade known as "West Indian Shippers," and comes usually in 1-inch by 12-inch rough boards, 1½-inch and 2-inch by 12-inch rough planks, and ½-inch by 12-inch dressed boards. There are practically no other sizes of white pine used here.

Southern yellow pine is imported in large quantities in schedules consisting of scantlings and planks in the rough, full dimensions, from 2 inches by 2 inches to 8 inches by 8 inches.

In addition, a considerable quantity of southern yellow pine is imported to be manufactured into flooring, ceilings, battens, and boards, principally consisting of the following sizes:—

½ x 6 Ceiling S2SCMBC&EIS	} Lengths from 10 feet to 20 feet.
1 x 6 Ceiling S2SCMBC&EIS	
1 x 8 Ceiling S2SCMBC&EIS	
1 x 6 Flooring SIS & S2S	
1½ x 6 Flooring SIS & S2S	
1 x 3 & 1 x 4 Battens S2SB2EIS	
1 x 10 & 1 x 12 Boards S4S	
1 x 10 & 1 x 12 Boards SIS & 2E	
1 x 10 & 1 x 12 Boards S2SCM	

SHINGLES

These come from Louisiana, of cypress, split or rived, measuring 22 inches long, 6 inches wide, and ½ inch thick at the butt end. Sawn cypress shingles, 20 inches by 6 inches by ½ inch, are also used. The reason for the use of large-sized shingles here is that the customs duty is levied at a flat rate of 6s. per 1,000 shingles, irrespective of width.

The importation of rough timber has increased to a very large extent, owing to native supplies being practically exhausted, and will be used still more as the remaining amount of hardwood on the island continues to decrease.

GRADES SUITABLE

There are two main grades of lumber in use in Jamaica, viz., No. 1 pitch pine and No. 2 pitch pine. The latter is the local name for No. 2 common southern yellow pine. The former is more similar to the merchantable quality,

according to the British Columbia M List, especially in price, and therefore the merchantable grade is considered to be the most suitable for this market. There is little or no demand for expensive lumber. The local No. 2 quality lumber appears to be better than No. 2 common Douglas fir. Some samples of the latter which have been sent to Jamaica were badly sawn and much knotted, and were regarded as inferior to the No. 2 common yellow pine usually imported.

TYPE OF LUMBER WANTED

Jamaicans are prone to judge imported wood by its appearance and colour, and exporters must also keep in mind that the market is decidedly conservative. There is a strong objection to sap in lumber, especially if it appears green, blue, or black. Whatever sap there is in the wood should be a bright colour. Nearly all kinds of imported lumber are promptly attacked by ants unless specially treated with solignum or other wood preservatives. The ants devote special attention to sap wood, and make short work of it; hence the objection. The market has been accustomed to be supplied with only air- or kiln-dried stock. Green Douglas fir would therefore be something new, but might be quite suitable after it had become known.

Flooring is tongued and grooved, and mostly 5 inches wide. Samples of Douglas fir flooring seemed to be somewhat narrower than the above size. Flooring and other small lumber usually comes to Jamaica tied with rope in bundles of four.

As there are no saw-mills here of any importance, no logs are imported. No squares either large or baby are imported. Occasionally some piling is brought in for use when wharves have to be built or extended. Peeled and creosoted southern yellow pine of various sizes is ordinarily used for that purpose. Some wharves are able to accommodate 25,000-ton steamers, and use piling up to 70 feet in length.

Measurements.—These should in every case be exact, wherever possible. All rough lumber should be sawn true, and of full dimensions. The building laws of Kingston compel the use of scantling only of full dimensions, although this does not apply to the rest of the island.

FREIGHT SERVICE

Jamaica is only 480 miles from the Panama Canal, and is but a few hours' steaming off all the trade routes passing through it on the way to Europe, United States Atlantic ports, and Canada. So many steamers are passing that the necessary continuous supply of Pacific Coast lumber should easily be maintained. This regularity and continuity of delivery is a very important factor in securing and holding the trade. It is understood that an American firm are now carrying Douglas fir to Trinidad for a freight of \$15 per M feet, and are quoting for Jamaica delivery (with transshipment either at Trinidad or at Curacao) at \$22.50 per M feet. Lumber schooners might also be chartered, but the difficulty with them is their slowness, uncertainty, and lack of profitable return freights.

UNLOADING AT KINGSTON

Three large lumber firms in this city do practically all the available import lumber business in the island. Each of them has its own private wharf, and lumber storage facilities. They have long been accustomed to delivery of lumber at their own wharves. At only one private wharf, however, could large steamers of about 10,000 tons safely unload direct. No lighterage is available, and if unloaded at other wharves the lumber would have to be rehandled and hauled through the streets to the yards. The many disadvantages of this are obvious. Every effort, therefore, should be made to accommodate the merchants in what

is really a proper request. Kingston harbour is one of the six finest in the world; its greatest tide variation is only a few inches. Good stevedore labour is always available.

DUTY ON LUMBER

Lumber entering Jamaica is subject to import duty as follows:—

	British *Preferential s. d.	General s.
Sawn or hewn, undressed, by superficial measurement of 1 inch thick, per 1,000 feet	6 9	9
Sawn or hewn, wholly or partly dressed, by superficial measurement of 1 inch thick, per 1,000 feet	10 6	14
Shingles, Cypress, more than 12 inches in length, per 1,000	4 6	6
Shingles, Wallaba, per 1,000	4 6	6
Shingles, Boston Chips, and all shingles not otherwise enumerated or described, per 1,000	3 0	4

* Applicable to Canada.

In addition to the above, there is levied on all lumber coming into Jamaica from whatever source a package tax of 2s. per 1,000 feet or less quantity, and a similar tax of 1s. per 1,000 or less number of shingles.

GENERAL

Canadian shippers can be assured that their lumber will be welcomed in this market as an alternative to American pitch pine. They must keep in mind that the Jamaican market is more interested in price than in quality. Great care should be taken, especially in the initial stages of the trade, to supply good value, however, so as to encourage buyers and users and thereby create a regular demand.

EXTERNAL TRADE OF SOUTH AFRICA DURING 1924

TRADE COMMISSIONER G. R. STEVENS

XIV

Miscellaneous

[Imports and exports of South Africa were discussed in general terms in the first instalment of this report, which was published in Commercial Intelligence Journal No. 1130; Foodstuffs Imports in Nos. 1131 and 1132; Textiles and Clothing in Nos. 1133 and 1134; Machinery and Tools in Nos. 1143, 1144, 1147, 1148, 1149, and 1150; and Automotive Requirements in Nos. 1152 and 1153. Further instalments of this report, which deal with the import trade of South Africa in the light of the recent revision of the tariff, will be published in later issues.]

BICYCLES, TRICYCLES, AND PARTS

	1924	1923
Great Britain	£156,022	£125,724
Germany	15,312	10,508
All suppliers	176,302	143,935

The business in self-propelled vehicles has doubled in the last few years, and a steadily increasing trade is anticipated. It seems possible that the bicycle business follows the automobile expansion to some extent, and that additional motor cars in the rural districts cause a corresponding demand for bicycles.

As the figures show, the trade is preponderantly British, although German cycles are making some progress. A considerable proportion of the whole, however, consists of very cheap bicycles which are built locally from imported parts, and it is to this trade that Germany principally caters. The representations of the leading British bicycle companies have been placed with well-established dealers who specialize in cycle supplies, and it is improbable that anyone could seriously compete with Great Britain in any but the very cheapest types.

There is a small sale of tricycles and children's vehicles of the same sort, of which Canada supplies a share. As a whole, however, the Canadian goods are too expensive for this market.

WHEELBARROWS

	No. 1924	No. 1923
Canada	4,445	8,509
United States	12,294	9,631
All suppliers	17,556	19,254

The imports in the two years under review are perhaps below normal. South Africa imports at least £20,000 worth of wheelbarrows each year, but it is probable in the future that these figures will be considerably reduced through local manufactures. Until the present time it has been impossible to sell South African-made wheelbarrows, because of the fact that the trays of the local manufacturers were welded in three parts instead of being seamless, as the mining trades demand. A factory in Johannesburg, however, is making progress with the welded barrows, and although their prices are not conspicuously below those of imports at present, improvements in quality and price are anticipated.

For years this wheelbarrow business has been divided between one Canadian firm and two or three American suppliers. The Canadian figures for 1924 represent an extremely bad year, as ordinarily the Canadian firm has done as much business as all the Americans combined. The reason for the falling off lay in customs difficulties, as considerably higher home consumption values are set for Canadian barrows. This circumstance has been remedied during the past year, and it seems probable that Canadian trade will again improve in this item. There is little or no sale for imported wooden barrows, as these are built or assembled locally.

Minerals, Earthenware, Glassware, and Cements

CEMENT

	1924		1923	
	lbs.	£	lbs.	£
Great Britain	37,129,525	39,804	53,336,140	59,628
Germany	29,806,540	28,074	16,063,360	15,120
Sweden	19,280,400	18,383	.....	.....
All suppliers	93,555,028	93,952	119,016,500	117,958

The replacement of imported by domestic cement is almost complete, except in Durban, where there are no cement mills, and where imported supplies still have the opportunity to compete. South African cement mills have achieved this position in part through their ability to manufacture an excellent article, but their predominance has been greatly assisted by extensive application of dumping duties. At present out of eighteen dumping duties in force in South Africa, no less than nine are upon the single item of cement. The ordinary dumping duty is assessed against Mozambique, Sweden, Canada, Germany, Great Britain, Norway, Belgium, and Denmark. Freight dumping duty is in addition imposed upon cement from Great Britain, Belgium, Denmark, Germany, Holland, Norway, and Sweden. In the case of Belgium, Italy, and Czecho-Slovakia an exchange dumping duty is likewise enforced. Each of these duties more than doubles the ordinary rate of assessment, and it is quite apparent that competition with the local supplies is impossible. During the past year the Mozambique province has endeavoured to have the dumping duty raised, but without success. Apparently the local industry is assured of this extraordinary protection for some time to come.

GLASS BOTTLES AND JARS

	1924	1923
Great Britain	£ 58,227	£ 52,223
Germany	59,174	49,777
United States	15,748	24,381
Canada	4,625	4,640
All suppliers	169,907	161,712

This item covers every species of glass container. The principal divisions of the trade are beer and wine bottles, mineral water bottles, milk bottles, fruit

bottles and jars, and medicine bottles. With the expansion of South African industries, a constantly increasing demand for almost every type of bottle may be anticipated. As the figures show, the trade is more or less evenly divided between Germany and Great Britain, with the United States, and also Japan, supplying minor and specialized sections. The largest single demand, for beer and wine bottles, is Germany's staple trade. Certain colours and shapes of glass bottles which fit this market can apparently be produced in Germany at more favourable prices than anywhere else.

Great Britain's business is scattered over all types of bottles, but she is particularly strong in mineral water and light colour bottles, and in addition she supplies a large percentage of the medicine bottle demand. It is probable that the only lines in which she is not a keen competitor are milk bottles and fruit jars.

Canada at present only supplies white flint products to this market in minerals, fruit containers, and milk bottles. The trade in such lines is growing rapidly and during 1925 Canadian business increased considerably. The use of milk bottles is only compulsory in one or two centres of the Union, but this section of the trade is becoming more and more important. In addition, the local preserving of fruits and vegetables in glass containers is a constantly growing business and the quality of Canadian bottles appeals to users.

Canada and the United States compete for a considerable business in fruit jars with patented air-tight tops. Of late Germany has been paying some attention to this trade, copying one American fruit jar in every detail, even to the trade name.

There has been a single bottle factory in South Africa for some time, and at the moment this plant has applied for the application of a suspended duty of 20 per cent ad valorem, which will make the assessment upon all bottles entering the Union 25 per cent ad valorem. Considerable opposition to the proposal has developed among the bottle users, and it is not certain whether the Tariff Board will accede to the request. If a higher duty is instituted the better-class bottles, particularly milk bottles, will feel the impost, as at present ocean and inland South African freight constitutes a heavy charge upon all types of glass containers.

WINDOW GLASS

	1924	1923
Great Britain	£ 80,158	£ 68,172
Belgium	57,884	57,923
All suppliers	147,751	132,362

In the new tariff Great Britain has obtained a substantial specific preference upon this item, which should help her to hold the market against Belgian competition. The preference is among the most important accorded Great Britain, amounting to between 7 per cent and 10 per cent ad valorem, and it is not shared by the Dominions. Even this preference, however, does not overcome the advantage which Belgium enjoys through her refusal to be signatory to the Glass Convention. This refusal enables Belgian glass makers to work a seven-day week, whereas British factories are forced to blow in their tanks for the week end.

The statistics given above cover both plate and ordinary window glass. Great Britain has always held the market in so far as plate glass is concerned, supplying approximately twice the value of Belgian imports. It is in the ordinary and cheaper grades, however, that Belgian competition achieves its success.

ASBESTOS CEMENT SHEETS

	1924	1923
Belgium	£ 6,571	£ 11,883
Holland	6,558	612
All suppliers	20,999	22,475

The import of asbestos cement sheets is steadily falling owing to the improved quality of South African manufactures and to the rigorous dumping duties which have been assessed against continental sheets. Of the continental manufacturers, only Holland and Germany have escaped extraordinary duties, and Germany does not figure as a supplier. It seems probable that this trade, which formerly attained considerable proportions, will be gradually extinguished.

The chief sheets imported are $\frac{1}{8}$ -inch plain sheets for use as ceilings, and of these Belgium is a large supplier in spite of ordinary and exchange dumping duties. The average value of sheets imported is far below the figure at which Canada could compete. This is said to be due to the fact that continental manufacturers mix quantities of fillers with the cement in these cheap sheets, and in addition low-grade cements are available at prices which Canada cannot obtain.

The local manufacturers have obtained a majority of the corrugated sheet trade, which comprises a considerable demand, and is used almost exclusively for roofing. The prices on corrugated sheets defeat Canadian competition, it being possible to land Belgian and Italian supplies, or to obtain local sheets, at a figure approximately 50 per cent below Canadian prices. Canadian sheets, however, are known for their excellent quality, and occasionally an order goes through on this account.

ABRASIVES

	1924	1923
Great Britain	£ 14,330	£ 9,104
United States	4,411	4,405
All suppliers	26,846	14,486

The total imports of abrasives represent a considerable figure, although there is no particular business in any one division of this demand. The largest trade consists in emery papers and emery cloth, in which Great Britain supplies £10,598 out of a total of £13,628. There is little bulk emery imported, and emery wheels are not differentiated from other artificial abrasives, of which the total imports were £7,897 during the year under review. Of this latter amount the United States supplied approximately three-quarters. The demand for artificial abrasives is largely confined to the Rand and the coalfields, with small general purpose wheels selling to some extent throughout the general ironmongery trade.

Grindstones and scythe stones are a moderate business only, amounting to £3,166 in 1924, almost equally divided between Great Britain and the United States. A small trade was likewise done in oilstones during the same period.

Oils, Waxes, Resins, and Varnishes

CANDLES AND TALLOW

	1924		1923	
	lbs.	£	lbs.	£
Great Britain	12,360	634	19,256	981
Holland	25,280	139	80	3
All suppliers	41,446	905	36,612	145

Formerly this was a very large item of import, but during the past few years English candlemakers have established factories in South Africa, and the only imports at present are special candles which are not manufactured in the Union. For use in the manufacture of these candles, very considerable quantities of animal tallow are imported, the business during the past two years having amounted to over 3,000 tons per annum of a value well over £100,000. Australia has always been predominant in this trade, about 70 per cent of the business belonging to that Dominion. Her only serious competitor is the Argentine, which supplies the greater part of the balance. A good quality of tallow is used in this market, but no response has been received to a number of inquiries sent forward to Canada.

ANTIFRICTION GREASES

	1924		1923	
	lbs.	£	lbs.	£
Great Britain	1,635,685	22,667	1,661,223	22,850
United States	3,529,513	46,376	2,957,650	36,838
All suppliers.. . . .	5,243,783	70,156	4,670,223	60,247

The imports of these heavy lubricants reach considerable dimensions. The trade is largely in the hands of the big oil companies, although a certain amount of mixing and preparation of these greases is now being done in South Africa. The quality of grease used is not high, and a business has been built up in the purchase of greases from the oil companies for local manufacture; that is, for the reduction of quality by the addition of adulterants. This latter circumstance makes it very difficult for good quality oils and greases to compete in South Africa, and a number of oil companies express themselves as disgusted with the present status of the trade. It is noteworthy that on certain Government tenders which specify definite standards of antifriction greases South African firms are able to under-bid importers by as much as 100 per cent, although using imported bases for their preparations. From this it will be apparent that the oil and grease trade is not attractive to manufacturers of quality products.

OILS—LUBRICATING, ILLUMINATING, MOTOR SPIRITS, ETC.

For a report upon the imports of these mineral oils see page 318 of *Commercial Intelligence Journal* No. 1153, dealing with the South African trade in automotive products.

HEAVY OILS FOR ROAD AND PAVEMENT CONSTRUCTION

	1924		1923	
	Galls.	£		
Great Britain	21,552	1,120	Not previously differentiated in the Customs returns	
United States	111,942	4,332		
All suppliers	165,839	6,053		

This small trade promises to show an increase in the near future, because of the activities of "Good Roads Leagues" in various parts of the Union. The demand for a superior type of cheap road is turning the attention of the provincial authorities to other types of construction, and it is probable that during the next few years a very considerable mileage of dirt roads with a bituminous binder will be built. Such activity is particularly probable in the Transvaal, but the use of such bituminous binders and carpets is increasing in all parts of the Union.

OILS—LINSEED

	1924		1923	
	galls.	£	galls.	£
Great Britain.. . . .	374,640	73,256	447,840	94,292
All suppliers	380,345	74,181	455,133	95,910

Great Britain has practically no competition in the supply of linseed oils, although it is usually considered that this business is held from Holland on a small margin. It is anticipated that the withdrawal of the preference on this item may hurt British business to some limited extent, but it is probable that the prestige of British oils will retain the majority of the trade.

DISTEMPERS, COLOUR WASHES, AND WATER PAINTS

	1924		1923	
Great Britain		£12,508		£13,639
United States		30,638		31,133
All suppliers		43,266		44,864

Dutch architecture requires considerable quantities of distempers and similar cold water paints, and a fair trade exists for such products. It is a business in which local manufacturers are making progress, owing to the excellent

supplies of gypsum which are available in South Africa. Among imports, one well-advertised American brand is predominant, probably accounting for well over half of the total imports. The market requires a cheap product of easy application, and it is in this latter particular that the American article is favoured. The majority of the business consists of bulk containers, with a limited trade in small package goods.

One Canadian firm has an intermittent business in these lines. It should be possible for Canadian exporters to obtain a somewhat larger proportion of the available business, but owing to the necessity of advertising and the popularity of the predominant American brand, an extensive selling campaign would necessarily be a speculation.

READY-MIXED PAINTS, ENAMELS, AND VARNISHES

	1924	1923
Great Britain	£124,088	£190,273
United States	12,742	17,501
All suppliers	143,864	230,054

Great Britain has very little competition in the supply of ready-mixed paints, although certain South African manufacturers are beginning to advertise their products. The old-established British houses are in an almost impregnable position as importers have the same feeling towards British paint qualities as they have towards British linseed oil. Moreover, the use of the small container, which has served to introduce American goods in many parts of the world, has not developed in South Africa, except in a few special lines, and it is not anticipated that any particular change of direction will occur in this trade in the near future.

Canadian paint business has been intermittent; at one time one or two Canadian firms enjoyed fair business in this market, but so much depends upon brands of proven quality that the introduction of a new line is a matter of extreme difficulty. As a matter of fact, it is almost impossible to place a paint agency to-day without paying a subsidy for the introductory period at least. The dry pigments trade closely follows the mixed paint business and Great Britain has no competitor in such lines.

VARNISHES

Statistics, including stains, lacquers, shellacs and special preparations are not included in the above figures. The trade is likewise a British monopoly, although for some years after the war the United States contested certain lines. Out of imports of £33,368 in 1924, Great Britain supplied £29,868. The range of such imports is too wide for particular comment, but cheaper qualities predominate. One or two Canadian firms have retained minor businesses in varnish specialties.

WHITE LEAD IN OIL

	1924		1923
	lbs.	£	
Great Britain	1,996,353	49,443	not previously
Canada	78,215	2,091	differentiated in
Holland	553,127	11,206	Customs returns.
All suppliers	2,655,840	63,405	

This is an item of particular Canadian interest and the statistics do not correctly represent the situation. Under normal conditions Canada supplies upwards of one-third of the total requirements. For the last few years, however, she has laboured under the heavy handicap of having a home consumption value fixed for duty purposes, which was much higher than that of any of her competitors. Fortunately this difficulty has been remedied during the past year and it seems probable that in the future a much larger share of the business will accrue to Canada. A small preference remains upon Canadian and British white lead and

in spite of the unfavourable position of Canadian supplies, during the past few months considerable business has been booked. The Dutch competition, at one time serious, is believed to be lessening.

	SOAPS			
	1924		1923	
	lbs.	£	lbs.	£
Great Britain	814,409	39,090	826,083	42,252
Australia	867,196	11,405	1,073,326	14,153
United States	332,655	20,422	460,080	22,912
All suppliers	2,210,101	78,998	2,502,833	84,853

One British combine have a number of factories in South Africa and they obtain the bulk of the laundry soap business. The remaining imports represent very cheap types of soap for the native trade, including, of course, considerable quantities of blue-mottled and competing varieties. There is little or no future, however, in this trade, as other British organizations are entering the field with subsidiary factories.

In the division of toilet soaps, however, the situation is somewhat different and a considerable trade remains. One or two of the best known American brands are among the most popular in the market, due to their quality and to careful advertising. A wide range of imported soaps are on sale, and it is a comparatively easy line to place, although distributors of standing usually request consignment stocks. Continental countries have been making some inroads upon this business of late years, but a soap of British or American quality and appearance is favoured.

TRADE COMMISSIONER H. R. POUSSETTE'S FORTHCOMING VISIT TO CANADA

Mr. H. R. Poussette, Canadian Trade Commissioner in Port of Spain, Trinidad, will arrive in St. John on March 24 on his way to Calcutta, to which post he has been transferred. Before proceeding to Ottawa, Mr. Poussette will visit Maritime Province points and he will afterwards cross the Dominion before sailing for India from Vancouver. Canadian firms who are interested in trade with the eastern group of the West Indies, British Guiana, or India, and who desire to be brought in touch with Mr. Poussette, or to interview him, are requested to communicate at an early date with the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa, in order that the necessary arrangements may be made.

ECONOMIC CONDITIONS IN RUSSIA DURING 1925

TRADE COMMISSIONER L. D. WILGRESS

Hamburg, February 10, 1926.—A German newspaper, the *Hamburgischer Correspondent*, has published a very interesting review by its Moscow correspondent of the Russian economic situation during the year 1925.

It is stated that the year 1925 opened with great hopes for an improvement in the Russian economic situation, some of which have been fulfilled while others have experienced great disappointment. There was undoubtedly a fairly considerable improvement in the general economic situation during the year under review, but nevertheless it is admitted by the Soviet leaders that Russia is again passing through an economic crisis, the influences of which may be more marked than in former years when Russia was not so dependent upon a close connection with the world markets.

AGRICULTURE

An exceptional crop had been anticipated for the 1925 season. The whole economic programme of the Soviet Government was drawn up on the basis of the favourable crop predictions. The export of grain, which had to be discon-

tinued owing to the crop failure in 1924 was again actively taken up and great preparations were made. This would have mitigated the danger of an unfavourable balance of trade in spite of the considerable enlargement of the import programme, for which the grain export was to provide a considerable part of the foreign exchange necessary.

It very soon became apparent that these hopes would not be fulfilled. It was also evident that the yield of the crops was not up to the expectations.

The first optimistic estimate was for a total crop of 4,025,000,000 pouds (1 poud=36 pounds), from a total cultivated area of 72,000,000 dessiatines (1 dessiatine=2.7 acres), as against 65,700,000 dessiatines in 1924. The latest estimate, on the other hand, places the total crop at 3,860,000,000 pouds. Compared with the crop of 2,548,000,000 pouds in 1924 there has been a considerable increase in the total yield, although still a long way below the pre-war harvests of 5,000,000,000 pouds.

A long period of heavy rains delayed the harvesting and transport of the grain to market and also seriously affected the quality of the yield. As a consequence there was a decided rise in grain prices and the peasants owing to the great shortage of manufactured goods were not disposed to deliver the grain. In fact they withheld supplied in anticipation of a further rise in price. There was a continued rise in grain prices until October when for a short period they were stable, while in November and December not inconsiderable rises were noticeable in the Soviet Union, particularly in the Ukraine.

Grain stocks, which this season were primarily regarded as a reserve for the grain export, declined from month to month. Altogether up to January 1, 1926, 330,000,000 pouds of grain had been set aside as against 274,000,000 pouds up to January 1, 1925, or only 56,000,000 pouds more than in the bad crop year of 1924. With this, the latest greatly reduced grain purchasing plan of the Soviet Government, which provided for the setting aside of 350,000,000 pouds up to January 1, 1926, had not been carried through. Noteworthy was the decline in the proportions of the chief kinds of grain, wheat and rye, in the grain reserves.

The crops of technical agricultural products during the year under review as also in 1924 were very favourable. The following is a table of the area cultivated, crop results and a comparison with 1916 of the chief technical agricultural products:—

	(Area) in 1,000 Dess.)			Crop (in million pouds)			
	1925	1924	1923	1916	1925	1924	1923
Flax.. . . .	1,090.0	1,058.0	843.0	1,383.0	...	12.2	8.6
Hemp.. . . .	490.3	639.0	530.0	545.0	11.6	19.0	19.3
Cotton	610.0	555.3	194.4	774.2	40.0	21.5	8.2
Sunflower seeds..	1.5	2,099.3	1,781.0	1,056.7	...	94.5	105.5

The tobacco crop over an area of 30,000 dessiatines (1924 16,000 dessiatines) was 2,000,000 pouds as compared with 700,000 pouds in 1924.

The sugar beet crop from an area of 490,000 dessiatines (1924, 345,000; 1914, 697,000 dessiatines), yielded 343,000,000 pouds as against 204,000,000 pouds in 1924 and 787,000,000 pouds in 1914. Sugar production in 1925 reached about 60,000,000 pouds as against 27,500,000 pouds in 1924 and 105,500,000 pouds in 1914.

The cotton campaign created great difficulties as the cotton area were supplied with grain and industrial wares in an unsatisfactory manner. Further credits for the carrying on of the campaign became considerably restricted, so that for some time there was doubt as to the cotton reserves.

The livestock population during the year under review showed an increase. According to official Soviet statistics the various kinds of animals in 1925 in percentage to the year 1916 were as follows:—

	Horses	Large Cattle	Sheep & Goats	Pigs
1923.. . . .	67.9	82.4	69.1	48.1
1925.. . . .	76.2	100.4	91.9	85.7

INDUSTRY

The year 1925 was also ushered in with plans of expansion on a large scale in the industrial sphere. The production programme of the Russian manufacturing industry for 1925 laid particular stress upon the provision of means of production. For this purpose the building of several new factories, chiefly in the metal and textile machinery branch, was commenced. Although the industrial production is still below domestic requirements, it cannot be disputed that there has been progress in the industrial sphere. Nevertheless the plans of the Soviet government for further expansion have had to be greatly curtailed as a result of the financial situation of the country and the lack of foreign credits.

The price reducing scheme of the Soviet government introduced in 1924 was continued in 1925, but only very poor results were shown. The wholesale prices for industrial goods decreased 29 per cent during 1925, but the retail prices, of most importance to consumers, decreased only 9 per cent. As recently established by Dserjshinski, the Soviet trade system is unable to bring these industrial goods direct to the consumers.

The rising grain prices in 1925 aggravated what is known as the "scissors problem," i.e., the great discrepancy between prices for agricultural products and the prices of industrial goods. While the prices of industrial goods decreased, the prices for agrarian products in 1925 rose 83 per cent in wholesale trade and even 113 per cent in the retail trade, which caused renewed hardships for the Russian working classes. Thus the question of prices in the year under review has in no way come nearer solution.

The financial situation of the Russian manufacturing industry in 1925 was critical. The State industrial committees were compelled to make considerable retrenchments in view of the general credit restrictions. A book profit amounting to 175,000,000 roubles was earned by the manufacturing industries in 1924-25. Many industrial branches still work with heavy losses, for instance the automobile industry and the engineering trusts. In addition to this, depreciation was only partially written off to allow for the deterioration in the greatly worn out plants. The unfavourable financial position of industry is made worse by the wage bill, which in the last part of 1925 was again considerably increased.

A great problem is the question of the high costs of production. For instance in 1924 the cost of production index in the metal industry in comparison with pre-war times was 1.38 (1923-24 1.74). The most serious consideration arises from a comparison between wages and services rendered. While in 1925 the average nominal wage in Russian industry attained 94 per cent of the pre-war figure (the real wage is naturally considerably less), and in certain branches of industry even exceeded the pre-war level, the work done was only 60 to 70 per cent of pre-war capacity. The quality of the output, particularly in the metal industry, could be greatly improved.

Great difficulty was experienced in the provision of fuel, which had to contend with a renewed acute transport crisis. For some time the industries of Southern Russia and the Ural districts were threatened with stoppage of work on account of the shortage of coke. Through these difficulties the industrial development was badly hampered, apart from other causes.

The figures of output of the Russian manufacturing industry in 1924-25 amounted to 2,998,300,000 roubles as against 1,577,504,000 roubles in 1924 and 1,191,434,000 roubles in 1922-23. In October the industrial production amounted to 279,500,000 roubles, in November 261,500,000 roubles as against 189,000,000 roubles in January, 1925.

In the individual branches of industry, the output of naphtha showed an increase from 326,400,000 pouds in 1923-24 (64.5 per cent of pre-war production) to 423,700,000 pouds in 1924-25 (7.5 per cent). Coal production increased from 962,500,000 pouds (54.5 per cent), to 974,400,000 pouds (55.3

per cent); pig iron production from 402,900,000 pouds (15.6 per cent), to 795,100,000 pouds (30.9 per cent). The production of the entire metal industry amounted in 1924-25 to 383,000,000 roubles. The production of finished textiles amounted to 2,095,000,000 arshines (62 per cent of pre-war), and that of iron ore to 2,151,792 tons. The number of workmen in the entire State industry amounted in 1924-25 to 1,846,900 as against 1,516,700 in 1923-24.

INTERNAL TRADE

The year 1925 saw the liquidating of the fight against private trade. In the Soviet government order of March 31, 1925 the basis of the new internal trade policy was fixed. Private trade obtained taxation and trading concessions and became, at least officially, free from administrative control. It showed that the former acute struggle had badly crippled private trading enterprise. In the economic year 1924-25 there was no advance of private trading; on the contrary it was shown that there had been a strong relative decline of private enterprise in Russia and a corresponding increase in State and co-operative trade. Only in connection with the purchase of grain was a strong activity in private trade noticeable. The decline in private trade is shown in the following table of the Russian internal trade turnover during the economic year 1924-25.

	State Trade	Co-operative Trade	Private Trade
1923/24..	62.8	15.8	21.4
1924/25..	68.9	19.2	11.9

Also in the sphere of retail trade is the decline in private trade noticeable:—

	State Trade	Co-operative Trade	Private Trade
1923/24..	16.4	21.9	57.7
1924/25..	22.8	32.9	44.3

Protests of bills of exchange have recently greatly increased in private trade.

The total turnover of the Russian internal trade in 1924-25 in comparison with the previous year showed a considerable increase and amounted to (in million Tschervonetz roubles):—

	State	per cent	Co-operative	per cent	Private	per cent	Total turnover of industrial and trade concerns	per cent
1923/24..	6,500.0	45.0	2,845.5	19.7	5,090.1	35.3	14,435.6	100.0
1924/25..	10,780.0	50.4	5,270.1	24.7	5,314.8	24.9	21,364.9	100.0
					Peasant trade	Total turnover	In percentage of pre-war times	
1923/24..					3,642.0	18,077.5	51.7	
1924/25..					4,837.0	26,251.9	71.2	

The Moscow Merchandise Exchange in 1925 was characterized by an acute shortage of goods, which often assumed the dimensions of a famine. The total turnover of the Moscow Merchandise Exchange in the year under review reached 3,505,000,000 roubles as against 1,590,300,000 roubles in 1924 and 1,049,800,000 roubles in 1923. In July, and more so in September and October, there was a decided increase in the turnover which was almost entirely attributable to the increase in the number of transactions in futures, as material goods were almost entirely absent. The acute decline in turnovers in the last months of the year is explained by the decrease of transactions in futures, as before this period the production of numerous trusts had been entirely sold out for a year or more in advance. The co-operative societies, as usual assisted by the Government, showed in 1924-25 a further expansion of their business activities, the turnover of the co-operative societies in 1924-25 being 3,720,000,000 roubles, which is 55 per cent above 1923-24 and that of the agricultural co-operative societies being 996,700,000 roubles (57 per cent increase).

FOREIGN TRADE

The Soviet Government was not able in 1925 to avoid a heavy unfavourable balance in Russian foreign trade, the figures of which are given in the following table (in million roubles):—

	Export	Import	Im- or Export Surplus
January..	33.6	31.5	+ 2.1
February..	37.5	45.3	— 7.5
March..	32.8	54.9	— 22.0
April..	29.7	62.8	— 33.1
May..	38.5	87.8	— 49.3
June..	50.7	60.9	— 10.2
July..	36.1	66.6	— 30.5
August..	51.3	45.7	+ 5.6
September..	69.1	76.3	— 7.2
October..	76.9	82.5	— 6.5
November..	54.0	66.4	— 12.4

Altogether in the first eleven months of 1925 Russian exports were 593,000,000 roubles as compared with 276,000,000 roubles for the whole of 1924. Imports amounted to 680,700,000 roubles as compared with 232,500,000 roubles in 1924. The import surplus was 141,400,000 roubles as against an excess of exports amounting to 43,800,000 roubles in 1924.

The grain export in 1925 was a failure. The acute rise in prices on the Russian grain market, which went hand in hand with the decline of grain reserves, as well as the fall in prices on the world grain market, made the Russian grain export unprofitable. Whereas the Russian home wheat price in August 1925 was 67.6 per cent of the corresponding world market price, it rose in September to 83.1 per cent. The corresponding rye price rose to 88 per cent. In the first four months of the grain export campaign, the exports of grain products at first showed a certain advance, namely 9,700,000 roubles in August to 25,900,000 roubles in September and to 30,000,000 roubles in October, but in November they decreased to 14,200,000 roubles. Up to December 1 grain to the total value of 79,800,000 roubles was exported. It is noteworthy that the proportion of the chief kinds of grain—wheat and rye—exported by Russia continually declines and that more the less important kinds of grain, such as oats, have recently been exported from Russia. The principal articles of export in the economic year 1924-25 were grain 51,300,000 roubles (1923-24 145,300,000); wood products 62,900,000 roubles (38,000,000); oil products 62,700,000 roubles (44,000,000); furs 75,100,000 roubles (17,000,000); flax in the first 10 months of 1924-25 3,300,000 roubles as compared with 2,100,000 roubles in 1924.

The principal imports were grain products amounting to 77,900,000 roubles (this heavy importation was caused by the Russian crop failure of 1924); sugar 39,700,000 roubles; cotton 122,200,000 roubles; wool 39,200,000 roubles; dyes 18,600,000 roubles; raw and treated hides 29,000,000 roubles, etc.

The importation of agricultural machines and implements as well as tractors in 1924-25 in comparison with the previous year increased fivefold. The Russian export trade as usual had to cope with enormously high overhead expenses. The export of manganese ore was partly responsible for the increase in Russian exports in 1925.

FINANCES

The issue of Tschervonetz notes in the first three quarters of 1924-25 moved within comparatively narrow limits. The financing of the industries by issue of Tschervonetz notes was only resorted to in so far as it did not threaten the currency. In the fourth quarter of the economic year 1924-25, however, Tschervonetz notes were issued to such an extent that the issues in this period exceeded that of the first three quarters together. In their overestimation of crop prospects and its effects upon the domestic economy, the Soviet Government were confident

that the circulation could be increased without danger of inflation. The unforeseen economic development, however, led to a monetary situation in the country which undoubtedly incurred the danger of inflation, as business activity in the last months of the year continually declined. In December the Soviet Government not only took steps to definitely limit the circulation of the Tschervonetz, but even withdrew half a million Tschervonetz from circulation. On January 1, 1926, the total circulation of Tschervonetz notes amounted to 781,630,000 Tschervonetz roubles as against 595,970,000 Tschervonetz roubles on January 1, 1925. Apart from Tschervonetz notes there were on January 1, 1926 542,660,000 roubles in circulation as against 386,000,000 roubles on January 1, 1925. Of this 387,700,000 roubles were in treasury notes, 5,300,000 roubles in small money bonds, 141,900,000 roubles in silver coins and 7,600,000 roubles in copper coins. From December 1 as a result of the general efforts to limit the currency circulation there was a decline in the total circulation of 5,800,000 roubles.

The budget estimate of the Soviet Union closed in 1924-25 with 2,600,000,000 roubles as against 1,891,900,000 roubles in 1923-24. Exact figures of the budget of 1924-25 are only available for the first six months. The half yearly budget showed an estimate of 1,235,000,000 roubles. Actual receipts were 1,295,400,000 roubles of which 1,172,300,000 roubles were ordinary receipts and 102,400,000 roubles were extraordinary receipts. Further 20,800,000 roubles were treasury bills. Of the estimated expenditure of 1,182,700,000 roubles in the first half of 1924-25 only 1,109,900,000 roubles were expended. The total result of the first half year showed a surplus in receipts of 185,500,000 roubles.

Tax receipts in the budget year 1924-25 amounted to 1,169,000,000 roubles, i.e., 54,300,000 roubles more than in 1923-24. In particular, the direct taxes were 500,200,000 roubles (42.7 per cent of the total tax receipts or 22 per cent more than in 1923-24). Of this amount 48.6 per cent was from the agricultural single tax which produced 243,300,000 roubles. Second place was taken by the industrial tax with 148,600,000 roubles (12 per cent) or 31.9 per cent more than in 1923-24. Third place was taken by the income tax with 91,400,000 roubles (7.8 per cent). Indirect taxes in the budget year brought in 574,100,000 roubles (49.1 per cent) as against 288,300,000 roubles in 1923-24, of which 481,100,000 roubles were from excise and 93,000,000 roubles from customs. Total tax receipts were 16,000,000 roubles less than the budget estimate.

THE MARKETS OF SUMATRA*

II

TRADE COMMISSIONER A. B. MUDDIMAN

MOTOR CARS AND PARTS

The Canadian branch factories of American houses probably hold the leading share in the Sumatra motor car trade. The value of cars, parts and accessories imported during 1923 into Belawan amounted to fl. 528,000, Palembang fl. 216,000 and Padang about fl. 112,000. During the last two years, this total has probably been considerably exceeded, as Sumatra is developing, which necessitates the extension of its road system. Thus the market, though small at present as compared with Java, is a most valuable one in the future for those makes of cars already established.

In Medan, which Belawan serves as port, there are some seven or eight automobile dealers, besides the small Chinese Towkay (storekeeper) stores. They as yet have not developed the handling of the accessory business as in the Straits Settlements, but with increasing demand this may be expected.

All automobile dealers of importance are called on regularly by American salesmen representing New York motor export houses and Canadian factories

* Part I appeared in No. 1152

would do well to circularize the few importers in order to compete in such lines as hub caps, windshields, double bumpers, green shield screens, batteries, lamps, etc. Some trade enquiries in this connection were sent in by the writer some time ago, one of which was on behalf of an importer in Medan, who desired the agency for a dry charged battery which should cost c.i.f. about \$24 (Canadian), and he was also interested in luggage carriers on the running board and for the rear. In Sumatra, owing to the long distances and the lack of railway transportation, all inland trips between Medan and Padang are done by car. Thus all fixtures for carrying luggage are of interest.

There are several distributors of various makes of cars who run sales organizations of which the Canadian Ford is the leading one. Practically every European and Chinese plantation owns at least one automobile and the managers of these might prove a useful mailing list for any small special accessory, if there are such, that can be sold individually, through the post. These names could be obtained from the address book for Netherlands Indies Industries which contains a list of all the industries.

CANNED FISH TRADE

While in Padang, the writer interviewed the managers of two large general import houses about the salmon trade. One of them thought he could use a hundred cases of salmon a month, if the price came down but there would be no market as long as Californian sardines were cheaper. The big demand for canned fish in Sumatra is undoubtedly for these sardines, the greater part of which is used by the Chinese coolies. Exporters should remember that only the very cheapest staple qualities of salmon have any chance of securing business. It should further be remembered that many sound general importers consider salmon too speculative a trade for them to handle. Salmon for some years sold itself before the Californian sardine came in but now the importers judge such goods on the price factor, and the only way the writer sees to increase its sale is through a more active sales campaign with those importers who are interested.

To recover business in these markets, packers will have to devote to the organization of sales much care, energy and ability. The marketing of "Chum" out here should include (a) the maintenance of a mailing list of the prospective importers revised annually, (b) booklets of labels for distribution, besides price lists, etc. (c) care in addressing letters correctly and stamping them sufficiently, (d) concentration on interested importers only. It is in the latter regard that this office can be of service and a list of a few likely importers in Sumatra has been filed with the Director of the Commercial Intelligence Service, Department of Trade and Commerce. Perhaps some packers may be interested to read the remark of an importer in Padang, "We have written to many houses with the poor result that we received a reply from one firm only. As the price mentioned was not competitive, we have not as yet gone in for this line."

As statistics to hand include canned fish with other canned goods, it is difficult to estimate the number of cases that might be sold. But exporters should bear in mind it is a limited but growing market. The circularizing of importers in a remote market in regard to lines such as this should be done carefully, and whether they are read or not depends on their attractiveness, but they are at least sure of a glance. The more they touch on a personal note and resemble an unduplicated letter, is perhaps an ideal which can be best achieved in the follow-up letter rather than in the sales letter.

VARIOUS CHEMICAL IMPORTS

Glacial acetic acid is used for coagulating latex, but Canada, owing to high freights, is at the present unable to compete with European sources of supply. Basic slag (Thomas phosphate) is used on the tobacco plantations of Sumatra's

east coast. The basis of price is reported to be 17 per cent phosphoric acid, soluble in mineral acid, of which 80 per cent must be soluble in a 2 per cent citric acid solution.

The chemical properties and requirements that must be complied with are as follows:—

"By basic slag is understood the product obtained by the milling of the slag left after making steel from phosphorus-bearing iron, according to the Thomas-Gilchrist or similar processes, without any addition taking place during this milling. Basic slag must contain 15 per cent phosphoric acid soluble in mineral acid, of which 80 per cent must be soluble in a 2 per cent citric-acid solution, according to the Wagner method, unless the content of phosphoric acid soluble in mineral acid is more than 16.5 per cent. (In both cases with a margin of 5 per cent.)

"For failure to comply with these requirements the following allowances shall be made:—

"By an ascertained content of less than 16.5 per cent phosphoric acid and a solubility of 74 per cent to and including 70 per cent, 5 per cent of the purchase price; while by a solubility of less than 70 per cent the lot can be refused, or, if this is no longer possible, an allowance of at least 25 per cent must be made.

"By an ascertained content of more than 16.5 per cent phosphoric acid and a solubility of 69 per cent to and including 65 per cent, 5 per cent of the purchase price; while by a solubility of less than 65 per cent the lot can be refused, or, if this is not possible, an allowance of at least 25 per cent must be made.

"These figures relate to basic slag sold without guaranty. In a sale with guaranteed content, the stuff supplied must agree with the guaranty, but still 80 per cent, respectively 75 per cent of the content which is soluble in mineral acid, shall be soluble in a 2 per cent citric-acid solution, as given above. For non-compliance with this requirement of solubility the same allowance shall be made.

"Basic slag must be milled so fine that the content of flour, according to the methods followed by the Rijkslandbouwproefstations (Government laboratories), must be 75 per cent. The product must be capable of sowing by machine, and therefore free from rough particles of steel. If the content of fineness is not up to requirements, the following allowances must be made: 69 per cent, 6 per cent of the purchase price; 68 per cent, 8 per cent of the purchase price; 67 per cent, 10 per cent of the purchase price; 66 per cent, 12 per cent of the purchase price; 65 per cent, 14 per cent of the purchase price; while below 65 per cent the lot can be refused, or, if this is not possible, an allowance must be made of at least 25 per cent of the purchase price."

Lead arsenate is used largely by the tobacco planters of Sumatra for the treatment of tobacco plants. The "proefstation" of the Deli Maatschappij has issued the following circular defining the requirements of the estates of that company:—

"In view of the numerous shipments of lead arsenate which have been rejected as unfit for use on the tobacco plantations of Deli during this campaign, we have undertaken an extensive investigation of the various parcels imported, and the old conditions must be revised and amplified, of which you will please inform your supplier. The new conditions are as follows:—

"Lead arsenate must be a light, fine powder, with a specific weight of 0.35 to 0.5, so that it will float in a liquid for a long time. It must not contain any acids, such as sulphuric, nitric, etc., which is important as regards the burning of leaves, in view of the plant's sensitivity to acids. It must not contain iron, or any traces of it. It must contain at least 60 per cent of lead oxide (PbO) and a total of 30 per cent of arsenic pentoxide. It may further hold at most 0.5 per cent of water-soluble arsenic pentoxide, a total of 0.5 per cent of arsenic trioxide, and 0.1 per cent of water-soluble arsenic trioxide. The moisture content with regard to clotting must not exceed 1 or 2 per cent. As to packing, there are to be recommended iron drums, with a net content of 25 to 50 kilos. Such packing simplifies the task of taking samples and also reduces the cost of the lead arsenate."

Paris green is used on the tobacco plantations to treat the leaves against insects; but it must not contain more than the necessary amount of soluble arsenious oxide or it burns the leaves. It should contain 56 to 58 per cent arsenious trioxide, of which not more than 0.40 per cent can be water soluble. It is packed in 5-kilo. tins, twenty tins per case. Chemical guano is used also by the tobacco planters on the East Coast, and must contain nitrogen, phosphoric acid and potash. Potassium sulphate is used as a fertilizer for the seed-beds mixed with other fertilizers. Sodium bisulphite is used for bleaching crepe

rubber, and it is packed in air-tight drums, English $\frac{1}{2}$ or 1 cwt. Sulphate ammonia is largely used as a fertilizer for tobacco estates, the business of which is seasonal, and is usually placed about May or June, delivery being required in September or October. Most companies stipulate for packing in double bags of 60 kilos net; the material to have a guaranteed minimum ammonia content of 20 per cent. Shipment should be made by direct steamer calling at Belawan, as transshipment causes excessive loss in weight. Superphosphates and double superphosphates are also used on the East Coast district of Sumatra. The superphosphates run about 19 per cent phosphoric and the double, 40 per cent. There are also a number of special chemicals in use for combating diseases of rubber trees.

As an idea of the size of the trade into the port of Belawan for the East Coast district in 1923, fertilizers and manures to the value of fl. 1,834,000 were imported; while the value of chemicals, medicines and medicinal drugs was fl. 1,515,000. In the leading imports of Belawan they take fifth and seventh places respectively. The imports into Palembang are quite small in chemicals, medicines and drugs, while in fertilizers it is practically negligible. This is due to the fact that Belawan serves the area of European plantations, the big tobacco area, the new oil palm and the growing rubber and tea sections, while Palembang is chiefly interested in piece goods, rice, and cigarettes for the genuine native trade. Fertilizers are not in demand in Padang, but the value of imports of chemicals, medicines and medicinal drugs for 1923 amounted to fl. 282,000, and in Padang, like Palembang, the big trade is native, consisting of textile fabrics, twines, yarns, and cigarettes.

FOODSTUFFS

The big business in foodstuffs is rice for the consumption of the coolies. Australian flour dominates the market and there is a considerable amount of speculation in this business among Chinese and Arab dealers, who link the importers with the native bakers. Owing to her short haul, Australia is geographically at an advantage as against Canada in this distant market, but, whenever Canadian mills show any advantage in price, local importers become for that time, and that time only, keenly interested. Transshipment charges and the delay in shipping via Hong Kong and Singapore are the great deterrents to the business.

There is a good trade, in proportion to the population among the natives and Chinese coolies, in condensed milk. The 14-ounce condensed milk tin seems to prevail, and the natives use it without dilution. The trade is practically a monopoly in the hands of one all-powerful British combine and for newcomers to obtain business, it would be most difficult and hazardous. In case any exporter desires to essay the task, the following particulars were furnished the writer re butterfat percentages. "There are no regulations in the Netherlands East Indies in regard to the percentage of butterfat necessary in either condensed or evaporated milk imported."

The writer has been informed that some Chinese importers seem to sell a skimmed milk containing very little butterfat, in competition with the well known genuine brand. In the press in Java, there has recently been considerable agitation against the various brands of inferior milk imported, and many suggestions have been made that the Government should lose no time in introducing legislation which will allow this valuable trade to be better controlled. Evaporated milk is used by the white population and the better class Chinese, but their demands are practically negligible in comparison to the native consumption.

In regard to the small European trade in foodstuffs, Holland holds the cheese trade. The United States is very strong in the canned fruit and vegetable trade. The chief demand is for peaches, apricots, pears and Californian grapes in the canned fruits, and asparagus and peas in canned vegetables. The United States

brands of asparagus have the first place, and it appears as though a war-time won trade has been consolidated in this particular line. The colour and size of the canned peas, which is the great favourite after asparagus, must be (1) bright green, (2) small. (Canadian canners are probably unable legally to give the required colour.)

There is practically no market for corn, tomatoes, beets, or even string beans, except in Dutch or French packs. The Dutch canners Tieleman & Dros hold a strong position and their sales system is separate agencies in the leading major towns and districts with firms that agree not to handle competitive lines elsewhere. In canned meats not much headway can be made, as the market is limited to the few European and wealthy Chinese. The Dutch national taste, for example, makes them prefer European sausages to the British makes. The majority of ham is imported for the Chinese trade and especially for their New Year, which falls around February, as the coolie class of Chinese can only afford it for this festive season.

RAILWAY MATERIALS

In Sumatra, until recently, the rivers were the chief means of transportation, but a fairly useful network of main highways has now come into being. With the extension of these, the handling of agricultural produce and the development of the country will make rapid progress due to the automobile.

There are also several railway systems which need extension of trackage. The leading lines are the State railway centred at Padang, with some 320 kilometres of trackage mainly serving the Ombilin coalfields. There is the Atjeh tramway or light railway, chiefly military, covering 511 kilometres. There is also the Deli Spoorweg Maatschappij, or Deli Railway Company, which serves Medan and its port Belawan, tapping the rich plantation East Coast area and consists of about 400 kilometres of trackage. When one remembers that Sumatra is over 1,000 miles in length, the island can be safely said to be under-railroaded.

For some time a scheme has been in existence in the extreme south of the island to run a railway north from Telok Betong,—the capital of the Lampong district, where there is a growing production of rubber, pepper, etc.—through the whole length of Sumatra via Palembang. Of the lines forming the southern end of this ambitious scheme, some 400 kilometres are completed. Ultimately thus, although it must be admitted it will be a very long while unless far more rapid progress is made, the lines of Sumatra will connect with those of Java by a ferry across the Straits of Sunda. It is trusted that manufacturers of railway materials and also of road-making machinery will watch with interest the market in Sumatra. To enter, it needs most careful consideration and a proper organization.

IMPORTS GENERAL

Canada's main products for this market at present, are automobiles, tires and accessories. Canadian rubber shoes are selling, while Canadian shoe tacks are sold in Sibolga from Java. A small amount of canned salmon is also received. No business is done in paper as yet, so far as the writer was able to discover.

The principal line in this product is, of course, over-issued newspapers, used by the natives for wrapping goods sold in the markets. The ideal line is that sent from England, banded in bales with five 2 inch iron hoops, painted red. The packages are either 180 kilos or 560 pounds, and burlapped, and should be old newspapers, free of coloured matter, catalogues, etc. (See writer's report on "Market for Over-issued Newspapers in the Middle East", *Commercial Intelligence Journal* No. 1014, July 7, 1923, page 19.) There is a small demand for clean white newsprint and coloured papers for cinema, etc., leaflets, of which the Dutch are very fond.

In leather, Australia has a leading share, but one firm in the United States appears to do a nice business in patent leather. White glaze leather comes in at about 19 cents per square foot c.i.f. Bellies No. 1 are 20 cents and are wanted from $4\frac{1}{2}$ to 6 pounds, the lighter the better. A good business is leather for waist belts with pouches for the natives, but there is no real large leather trade here as in Java because Batavia and Singapore importers seem to control what there is. A small market, however, exists for cheap children's sandals.

In hardware, Canadian prices are too high and as a rule the quality too good for this market. The Continent supplies the valves and black enamelled and galvanized piping at rates that Canada, up to the present, cannot meet. There is only a small sale for smithy tools such as anvils, vises, etc. In wire-nails Canadian prices do not compete with European. Canada should be able to sell a few lawnmowers, but the business must not be regarded from the standpoint of home conditions. The opening, however, is brighter here than in Java, owing to lack of labour. Canada is beginning to do a small trade in hose, gramophone records, bathing suits, etc. Canadian manufacturers of light quarter-sleeved singlets of a cheap quality; of bond paper; of blotting paper; of rolled oats, canned fruits, hams and chocolates, might be able to do some business, if interested. The large cigarettes market would seem to be covered by one large British combine. The match trade, which is one of considerable proportion among the natives, is held by Scandinavia. Webbing waist belts are imported at 35 shillings a dozen, c.i.f. Belawan, boxed individually. There is a sale for artificial silk ribbon in 10 metre rolls on paper, type wanted 17 lines. The c.i.f. price is around \$4.24 less 5 per cent discount, less 5 per cent commission, per 100 metres. The colours wanted are black, white and dark brown. A small quantity of Canadian whisky arrives from London. German beers and Dutch gin are unassailable.

SELECTING AGENTS

In selecting agents for Sumatra, great care must be taken to see that their organization covers the whole island and in such territories where they have no direct power to place goods, the representation should be placed with firms local to that area. To cover Sumatra properly it is necessary to have connections in Medan, Padang and Palembang at least. There are a few firms in Java who have representatives in these places, but it too often happens that arrangements are made with a Java house that is dependent upon sub agents for sales in Sumatra. This usually entails a second commission and in a price market such as Sumatra the price by that time is out of line.

TRADE CONDITIONS IN GERMANY

TRADE COMMISSIONER L. D. WILGRESS

Hamburg, February 6, 1926.—The past month has been chiefly notable for easier money conditions leading to a stock exchange boom and for a further development of the economic depression in Germany. The former may be said to have been a consequence of the latter, easier money having resulted from the general stagnation of trade.

Throughout the month there was a surplus of funds available for short-term investment. The interest rate for daily money, which at the end of December ranged between 8 and 10 per cent, declined during January to below 6 per cent. The rate for monthly credits decreased from 9 to 10 per cent to 8 to 9 per cent and the private discount rate was reduced from $6\frac{3}{4}$ per cent to 6 per cent. On January 12 the Reichsbank reduced its discount rate from 9 to 8 per cent. In spite of the superfluity of liquid funds the banks still adopt a reserved policy in regard to the discounting of acceptances.

The decrease in interest rates and easier money conditions were reflected by a rise in the market values of leading stocks. The share index of *Frankfurter Zeitung* increased from 58.31 on January 2 to 71.62 on January 30. The last week of the month witnessed a boom in shipping shares, which eventually spread to other stocks. Foreign interest in the German stock market is said to have contributed in a large measure to the rise in stock exchange quotations last month.

There was a further increase in unemployment during last month, the figure of unemployed in receipt of support on January 15 being 1,762,305, an increase of 17.7 per cent since January 1. Reports from the various industries indicate general depression resulting from insufficiency of orders. The number of bankruptcies in the first half of January was 929, an increase of 8.1 per cent as compared with the first half of December.

It is generally considered that the severest phase of the economic depression has now been reached and that the future should bring about a gradual improvement in trade conditions. The most significant factor in relieving the present crisis should be the provision of three- to five-year credits for agriculture by the Gold Discount Bank, for which purpose 500,000,000 marks are being set aside. A considerable part of this sum is to be immediately available. This should materially relieve the credit stringency in agriculture and should bring about a revival in the home trade of those industries supplying the requirements of agriculture, which would favourably affect the whole economic structure of the country.

The chief needs of German trade and industry are still long-term credits from abroad, since the inflation practically wiped out the working capital of the country and there is no possibility of the deficiency being made good by domestic savings for a long period. Foreign loans to German enterprises are increasing and in the long run should prove the decisive factor in relieving the present crisis.

In view of the general economic depression the import trade remains relatively quiet. There has been a marked falling off in imports of raw materials during the last two months. The trade in foodstuffs has also been affected by the increase in unemployment and business failures. The demand for higher-priced goods, which characterized the trade with Germany in the two previous winters, is this year comparatively negligible.

CANADIAN TRADE WITH CUBA

A. E. FORTINGTON

Notwithstanding the fact that Cuba possesses unusually fertile land throughout its whole extent, importations of agricultural and other foodstuffs constitute one of the largest items of her import trade.

POTATOES

So far as Canada is concerned, the commodity exported to the greatest extent to Cuba is potatoes. These are usually packed in the following forms: 180-pound sacks (New Brunswick), 90-pound sacks (Prince Edward Island), 150-pound barrels (Nova Scotia). Potatoes from Canada rarely, if ever, reach the Cuban market in other than the above weights. The white variety is most commonly met, but Prince Edward Island "reds" are also seen in large quantities. The packing should be secure, as in loading and discharging shippers are liable to suffer loss owing to sacks or barrels breaking. Generally speaking, Canada holds the largest share of the potato market in Cuba when our crops are available. During July, August, and a portion of September, however, the American product, grown in southern and warmer regions, supplies the market.

FLOUR

The Canadian flour trade with Cuba can be considerably developed. Canadian exporters of flour should take care that their representation is placed in the hands of brokers who are experienced in the flour trade. The market is an intricate one, and consequently an inexperienced agent would be severely handicapped.

A detailed report on the Cuban flour market was published in No. 1142 of the *Commercial Intelligence Journal* dated December 9 last.

FISH

Various kinds of fish form an important item of food in Cuba. Dried codfish holds first place, the importation of which is very extensive. Haddock and herring in the dried form are increasing in importance.

There is also an excellent market for sardines. In this connection it should be emphasized that price is a more important factor than quality. Canadian shippers should mark, in Spanish, their name and address round the sides of the tin, and indicate whether the fish is in oil or in tomato sauce. The first-named variety is preferred. All edges of the tin should be square with the corners rounded as Cubans are only accustomed to cans of this description. The chief competition is from Spain, although the Scandinavian product has a fair market.

CONDENSED MILK

The Cuban people are remarkably partial to condensed milk, especially as a beverage by itself. With its fattening qualities, it has been found beneficial in the warm climate of Cuba. The fact that cow's milk, if to be reliable, must be "certified" is an additional factor in favour of the tinned product. The main competition is from Europe and the United States. Canadian producers of condensed or evaporated milk will do well to give special attention to the Cuban market as the demand is continually on the increase.

WHISKY

In Havana the demand for whisky is chiefly among the foreign residents and tourists. Havana has become a distributing centre for whisky which is transhipped to neighbouring islands and countries. Cuban customs regulations allow a period of six months before shipments need be placed in bonded warehouse. Canadian distillers are able to compete successfully with the British supplies, which are the main competition.

FRUIT AND VEGETABLES (CANNED)

Owing to their qualities of preservation in hot climates and facility for handling, canned fruit and canned vegetables are used in Cuba extensively. Canadian packers so far have enjoyed but a small portion of this trade, which should be capable of development. The principal source of supply is the United States.

ONIONS

One of the most important of agricultural products in the Cuban market is onions, which forms a large percentage in the diet of that country. The varieties most commonly seen are the dark Egyptian and the Californian. Both of these grades have remarkable qualities of preservation, as they remain hard for a long period, do not become watery, and rarely, if ever, are they seen in a sprouting condition. In addition, their low cost of production enables them to be marketed at a low price. Canadian onions, chiefly from Ontario, appear frequently, but exporters must guard against their product being kept too long before shipment, as apart from the time taken en route, two or three days on the docks at Cuba may cause sprouting.

NEWSPRINT

The Cuban market for newsprint is enormous, as shown by the fact that on several piers one can see huge shipments being discharged daily. The present price is about \$3.85 per 100 pounds c.i.f. Havana, with most of the trade going to American mills, although the Scandinavian product frequently enters the market. To any Canadian shipper able to equal the above price much trade is offering. Further, it should be emphasized that newsprint when imported direct by newspaper publishers is free of duty. This places Canadian shippers on an equal basis with those in the United States and other countries.

CARBIDE OF CALCIUM

Large quantities of this chemical are imported into Cuba annually, the demand for which is on the increase. In suburbs of the larger cities and in the country villages carbide of calcium is used principally for illumination purposes. During the year 1925 Canada will have shipped to the extent of over \$300,000.

LUMBER

Cuba is unusually rich in its native woods, mostly of the hard variety. Owing to the destruction caused by the "comojen" (wood lice) the use of soft woods is restricted. The native mahogany is much used as house and office furniture. However, Canadian fir, pine, and spruce, in plank form, have secured a place in certain markets of the republic.

CEMENT

Cuba produces a building cement known as "Morro" which is among the finest in the world, but apparently the demand exceeds the supply. Canada has shipped considerable quantities of cement, which could well be increased, especially when building operations on the large Havana-Santiago highway commence.

HAY

There is a fair market for hay and, so far as Canadian trade is concerned, conditions seem to be improving. Canadian hay must compete against sugar cane leaves, which are used as cattle feed and are available at very low prices. Certain firms in Havana, however, are looking to Canada for supplies.

A list is on file at the Department of Trade and Commerce at Ottawa containing names and addresses of established Cuban firms who are desirous of trading with Canada in the commodities discussed above.

PRINCIPAL CANADIAN EXPORTS TO CUBA DURING THE NINE MONTHS ENDING DECEMBER 31, 1925

Canada's export trade with Cuba from April 1, 1925, to December 31, 1925, totalled \$5,538,093, comprised in part of the following:—

Commodity	Quantity	Value
Potatoes	2,232,877 ..Bushels	\$2,251,824
Whisky	111,552 ..Gallons	732,026
Flour (Wheat)	94,738 ..Barrels	709,217
Codfish (Dried)	77,432 ..Cwts.	685,510
Milk (Condensed)	25,030 ..Cwts.	291,745
Calcium Carbide	64,747 ..Cwts.	255,227
Automotive	82 ..	94,182
Hay	6,308 ..Tons	63,336
Spruce	1,868 ..M ft.	58,304
Pine	1,044 ..M ft.	55,666
Newsprint	20,089 ..Cwts.	55,242
Haddock (Dried)	4,492 ..Cwts.	34,422
Electrical Apparatus .. .. .	.....	28,302
Copper Wire .. .. .	.....	26,714
Stationery .. .. .	.....	22,289
Vegetables (Canned)	410,113 ..	20,713
Newspapers and Printed Matter .. .. .	.....	18,836
Fir	760 ..M ft.	15,219
Wooden furniture .. .. .	.....	7,208
Ammonium Sulphate	2,783 ..Cwts.	7,011
Paints .. .. .	.....	3,966

JAPANESE TARIFF REVISION: THE SITUATION AS REGARDS WHEAT

TRADE COMMISSIONER JAMES A. LANGLEY

Kobe, February 12, 1926.—As might have been expected, the bill for the revision of the Japanese import tariff, which has been submitted already to the Diet, does not meet with general approval. Several organizations representing special interests have had the matter under discussion and, according to reports, will make an effort to have the bill changed in certain respects before it is passed through Parliament. The Industrial Club, to which Japan's principal business men belong, desires that the tariff on iron, dyestuffs, lumber, and other staple products should be raised.

As already reported, the Tariff Revision Committee recommended that no changes be made in the duties on wheat, flour, and soya beans. The committee thought that the agricultural interests might lay claim to protection, but they believed that to raise the duty on these products would fail to realize its object and would seriously enhance the cost of living. The agricultural interests, however, are endeavouring to get a higher rate, and are agitating for an upward revision. The present rate was established in 1910 on the basis of 20 per cent for wheat, 34 per cent for flour, and 20 per cent for soya beans, having regard for the prices current at that time. Conditions have changed, however, and prices have advanced 100 per cent, which means practically a 50 per cent reduction in the duties on the basis of which the duty was originally fixed. The figures in the new bill and those requested by the farm *boc* are as follows:—

	New Bill	Demanded
Rice and bran	Y1.00	Y2.00
Wheat .. . . .	.77	2.00
Beans .. . . .	.70	1.40
Eggs	4.50	6.00

PRODUCTION OF WHEAT IN JAPAN

According to figures made public by the Department of Agriculture, the 1925 areas sowed to wheat, and the yield therefrom, were considerably larger than the preceding years and the crop was the largest since 1920. This increase is attributed to the fact that the price of wheat began to advance about February, 1925, and showed considerable strength when the farmers were putting in their crops. The following tables give a comparison of the average area under cultivation and the yield of wheat, barley, and rye during the five years ending 1922 and the three years ending with 1925:—

(Unit: 1,000 cho† and 1,000 koku†)

Kinds	Three years average	
	Area	Output
Wheat	489	5,578
Barley	384	8,459
Rye	586	6,711

Kinds	Five years average	
	Area	Output
Wheat	478	5,528
Barley	465	8,165
Rye	550	6,457

†1 cho = 120 square yards. †1 koku = 4,9629 bushels.

DEMAND AND SUPPLY

The consumption of barley and rye is steadily decreasing, while, on the other hand, that of wheat shows a steady annual increase, in proportion to the development of the domestic flour milling industry. The average annual consumption of wheat in Japan during the last five years amounted to almost 40,000,000 bushels, while the average production during this period was approximately 5,578,000 koku.

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

225. FLOUR.—Canadian firms interested in exporting flour are asked to communicate with a Greek firm.

226. BUTTER.—A London company of produce brokers and agents wish to establish a connection with Canadian exporters of butter suitable for the United Kingdom trade.

227. BUTTER.—A Bristol broker desires to hear from Western Canada creameries with a view to representation next season.

228. CHEESE.—A Bristol broker desires to hear from Canadian shippers of cheese with a view to representation in the West of England and South Wales.

229. SALMON.—Old-established Brussels firm wish to hear from Canadian salmon packers. Quotations c.i.f. Antwerp.

230. LOBSTERS.—Important Brussels firm of importers desire to hear from Canadian exporters of lobsters.

231. SOFT SUGAR.—A firm in Amsterdam in a position to handle 400 to 500 tons of soft sugar monthly would be glad to hear from Canadian exporters, who should submit samples with a slight yellowish tinge.

232. PEAS.—A Liverpool firm of produce brokers desire c.i.f. offers on Canada white field peas. Also interested in quotations for grade 2 quality. Samples necessary.

Miscellaneous

233. CHEMICALS.—Belgian firm desire quotations c.i.f. Antwerp on acetic acid, acetone, wood alcohol, acetate of lime, potassium and sodium compounds.

234. UNDERWEAR.—An old-established firm of manufacturers' agents in Birmingham wish to hear from Canadian manufacturers of fleecy-lined men's underwear, with a view to direct sale or representation.

235. CLOTHES PEGS.—A Birmingham wholesale house desires quotations d/d Birmingham in sterling on Canadian dolly clothes pegs in carload lots.

236. CLOTHES PEGS.—Canadian manufacturers of dolly clothes pegs kindly forward sample and quotation d/d Birmingham or c.i.f. United Kingdom port in sterling to wholesale merchant in the Midlands who desires to import.

237. COAT HANGERS.—A Birmingham house desires quotations for men's coat hangers, both with and without metal hook and with and without rail for trousers.

238. WOMEN'S SKIRT HANGERS.—A Birmingham house desires quotations free d/d Birmingham, in sterling, on wooden skirt hangers.

239. DOWELS FOR PEN HOLDERS.—Steel pen manufacturers in Birmingham desire quotations on Canadian birch dowels in sets of 20,000, c.i.f. United Kingdom port in sterling.

240. BROOM HANDLES.—A firm in the Midlands desire quotations on broom handles, standard sizes, d/d Birmingham or c.i.f. United Kingdom port in sterling.

241. OAK PLANKS.—A gramophone manufacturer importing oak cabinets in carload lots would like to receive quotations from Canada for No. 1 common unselected oak planks one inch thick.

242. OFFICE EQUIPMENT (STEEL).—A long-established importer desires an exclusive agency for Canadian steel equipment for offices. Full details, catalogues, and c.i.f. prices China ports should be forwarded.

243. GARDEN AND EDGE TOOLS.—Brussels importer desires to hear from Canadian exporters of garden and edge tools.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING MARCH 8, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending March 8, 1926. Those for the week ending March 1, 1926, are also given for the sake of comparison.

	Parity	Week Ending	
		March 1, 1926	March 8, 1926
Britain£	1.00	\$4.8750	\$4.8550
Czecho-Slovakia .. . . .Crown	1.	.0296	.0296
France .. . . .Fr.	1.	.0367	.0361
Italy .. . . .Lire	1.	.0402	.0401
Holland .. . . .Florin	1.	.4004	.4010
Belgium .. . . .Fr.	1.	.0454	.0454
Spain .. . . .Pes.	1.	.1410	.1409
Portugal .. . . .Esc.	1.	.0515	.0512
Switzerland .. . . .Fr.	1.	.1925	.1925
Germany.. . . .Reichs Mk.	1.	.2382	.2382
Greece .. . . .Dr.	1.	.0143	.0143
Norway.. . . .Kr.	1.	.2165	.2135
Sweden.. . . .Kr.	1.	.2685	.2682
Denmark .. . . .Kr.	1.	.2598	.2595
Japan .. . . .Yen	1.	.4600	.4512
India .. . . .R.	1.	.3680	.3680
United States£	1.	\$1.0037	1.0050
Mexico.. . . .£	1.	.4855	.4855
Argentina .. . . .Pes.	1.	.4087	.4037
Brazil .. . . .Mil.	1.	.1468	.1475
Roumania .. . . .Lei	1.	.....	.....
Jamaica£	1.	4.8775	4.8775
British Guiana£	1.	1.	1.
Barbados.. . . .£	1.	1.	1.
Trinidad£	1.	1.	1.
Dominica£	1.	1.	1.
St. Kitts£	1.	1.	1.
Grenada.. . . .£	1.	1.	1.
St. Vincent.. . . .£	1.	1.	1.
Tobago£	1.	1.	1.
Shanghai, China.. . . .Tael	1.	.7475	.7575
Batavia, Java .. . . .Guilder	1.	.4030	.4030
Peru.. . . .Pound	1.	3.8425	3.8525
Singapore, Straits Settlements .. £	1.	.5775	.5725

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From St. John

To LONDON.—Bosworth, March 20; Brecon, April 3—both Canadian Pacific; Canadian Trapper, March 17; Canadian Raider, March 31; Canadian Rancher, April 14—all C.G.M.M.

To CARDIFF AND SWANSEA.—Canadian Mariner, March 24; Canadian Victor, April 7—both C.G.M.M.

To LIVERPOOL.—Montclare, March 19; Montnairn, March 26; Montrose, April 2; Montcalm, April 9—all Canadian Pacific.

To SOUTHAMPTON.—Marloch, March 18; Minnedosa, April 1; Melita, April 15—all Canadian Pacific.

To MANCHESTER.—Manchester Division, March 20; Manchester Corporation, April 3—both Manchester Liners.

To GLASGOW.—Bolingbroke, March 16; Batsford, April 6—both Canadian Pacific; Gracia, March 23; Carmia, March 30—both Anchor-Donaldson.

To BELFAST AND DUBLIN.—Lord Londonderry, Head Line, March 21.

To AVONMOUTH.—Parthenia, Anchor-Donaldson, March 24.

To ANTWERP.—Canadian Trapper, March 17; Canadian Raider, March 31; Canadian Rancher, April 14—all C.G.M.M.; Marloch, March 18; Minnedosa, April 1; Melita, April 15—all Canadian Pacific.

To HAVRE.—Grey County, Intercontinental Transports, Ltd., March 22.
To ROTTERDAM.—Grey County, Intercontinental Transports, Ltd., March 22.
To HAMBURG.—Balfour, March 20; Brandon, April 7—both Canadian Pacific.
To ITALIAN PORTS.—Valperga, Lloyd Mediterraneo Italian Service, March 25.
To COPENHAGEN AND BALTIC PORTS.—Arkansas, Scandinavian-American Line, April 4.
To ST. KITTS, ANTIGUA, MONTSERRAT, DOMINICA, ST. LUCIA, ST. VINCENT, AND GRENADA.—Chaudiere, R.M.S.P. Co., March 28.
To CUBA.—Emperor of Fredericton, Robert Reford Co., March 20; a steamer, H. E. Kane & Co., March 20.
To SOUTH AMERICAN PORTS.—A steamer, Houston Line, March 25.
To AUSTRALIAN AND NEW ZEALAND PORTS.—Leise Maersk, New Zealand SS., March 20.
To SIERRE LEONE AND SOUTH AFRICAN PORTS.—Calgary, Elder Dempster Line, March 15.

From Halifax

To PLYMOUTH, CHERBOURG AND LONDON.—Ausonia, Cunard Line, March 22.
To HULL.—Valemore, March 22; Wheatmore, April 5—both Furness, Withy.
To LIVERPOOL.—Newfoundland, March 16; Savannah, March 29; Sachem, April 6—all Furness, Withy; Regina, White Star-Dominion, April 4.
To COBH (QUEENSTOWN).—Carmania, March 15; Alaunia, April 12—both Cunard Line.
To MANCHESTER.—Manchester Division, March 22; Manchester Corporation, April 5—both Furness, Withy.
To LONDON.—Valemore, March 25; Wheatmore, April 5—both Furness, Withy.
To ST. JOHN'S, Nfld.—Newfoundland, March 16; Sachem, April 6—both Furness, Withy; Skipper, April 2; Sable I., April 9—both Farquhar SS.
To BERMUDA, ST. KITTS, ANTIGUA, MONTSERRAT, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Teviot, March 26; Chaudiere, April 9—both R.M.S.P. Co.
To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Forester, March 20; Canadian Fisher, April 10—both C.G.M.M.
To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD, DEMERARA AND MARTINIQUE.—Canadian Runner, C.G.M.M., March 19.
To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Volunteer, C.G.M.M., April 2.
To SANTIAGO, KINGSTON AND MONTEGO.—Andalusia, Pickford & Black, April 7.
To NEW ZEALAND PORTS.—Canadian Britisher, C.G.M.M., March 25.
To AUSTRALIAN PORTS.—Canadian Scottish, C.G.M.M., March 31.

From Vancouver

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Asia, Canadian Pacific, April 3.
To YOKOHAMA, KOBE, MOJI, SHANGHAI AND NAGASAKI.—Arabia Maru, Osaka Shosen Kaisha, March 16.
To YOKOHAMA, KOBE, MOJI, DAIREN, TAKU AND SHANGHAI.—London Maru, Osaka Shosen Kaisha, April 12.
To YOKOHAMA, KOBE, SHANGHAI AND HONG KONG.—Empress of Australia, Canadian Pacific, March 20.
To YOKOHAMA, KOBE AND HONG KONG.—Tyndareus, Blue Funnel, April 1.
To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Niagara, Canadian-Australasian Line, April 7.
To WEST COAST UNITED KINGDOM PORTS.—Canadian Freighter, C.G.M.M., March 25.
To LONDON.—Canadian Ranger, C.G.M.M., April 10; Isis, United American Line, April 2.
To MANCHESTER.—London Importer, March 20; London Merchant, April 9—both Furness Line.
To BORDEAUX, HAVRE AND ANTWERP.—La Marseillaise, Cie. Gle. Transatlantique (French Line), March 30.
To HAMBURG AND BREMEN.—Isis, United American Line, April 2.
To ANTWERP.—Isis, United American Line, April 2; Canadian Ranger, C.G.M.M., April 10.
To GENOA, NAPLES, LEGHORN AND TRIESTE.—Cherca, Navigazione Libera Triestina, April 15.
To AUSTRALIAN AND NEW ZEALAND PORTS.—West Nivaria, Pacific-Australia Line, March 19.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

James Cormack. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

P. W. Cook. Address for letters—P. O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300. Office—North China Daily News Building, 17 The Bund, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Gutrufhaus, Neuerwall 10, Hamburg. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czechoslovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watermill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230; office, Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

Netherlands East Indies

R. S. O'Meara, P. O. Box 84, Batavia, Java. (Territory covers Straits Settlements, British Borneo, Netherlands East Indies, and Siam.) *Cable Address, Canadian.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P. O. Box 683; Office, Westminster House, Adelderly street, Cape Town. *Cable Address, Cantracom.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia). *Cable Address, Sleighing, London.*

J. Forsyth Smith, Century Bldgs., 31 North John street, Liverpool. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales). *Cable Address, Cantracom.*

Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands). *Cable Address, Canadian.*

Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, March 20, 1926

No. 1155

TABLE OF CONTENTS

	Page		Page
Catalogues for Trade Commissioners' Offices	361	General Conditions in France	380
Notice to Canadian Exporters Interested in the Markets of China	361	Import Trade of Germany during 1925 . .	382
Butter Market in the United States	362	Tariff Changes and Customs Regulations: Regulations governing the Admission of Dutiable Commercial Travellers' Samples into the United Kingdom	385
Empire Shopping Weeks in Scotland	363	Argentina Decree affecting Containers, etc., of Foodstuffs	386
British Industries Fair at Birmingham . . .	363	New Italian Duties on Sugar	386
External Trade of South Africa—Part XV..	367	Certain British Honduras Duties increased	386
Exports from Canada to the United States of Principal Commodities produced on Canadian Farms, or manufactured directly from such Farm Products, during the Month and Five Months ended February, 1921, 1922, 1925 and 1926, with United States Tariff Rates in Force	370	Tenders Invited: Australia	387
Commercial Notes from New South Wales . .	372	New Zealand	387
Canadian Trade with the Middle East in 1925	373	New Service between North Pacific Ports and Cuba	388
Economic Conditions in Jamaica	375	Foreign Exchange Quotations for Week ending March 15, 1926	388
Commercial Conditions in Mexico	375	Trade Inquiries for Canadian Products . .	389
Trade and Economic Conditions in Argentina	376	Proposed Sailings from Canadian Ports . .	389
Trade and Economic Conditions in China . .	378	List of Acts Administered and Publications issued	391
Wheat and Flour Trade Situation in China	379	Commercial Intelligence Service	392

CATALOGUES FOR TRADE COMMISSIONERS' OFFICES

Canadian manufacturers and exporters are strongly urged to furnish the Trade Commissioners in the territories in which they are interested, or are likely to be interested, with a full range of their catalogues, price lists, discount sheets and (where possible) samples, together with c.i.f. quotations, or at least quotations Atlantic and Pacific ports. They should also place the Trade Commissioners on their permanent mailing lists to receive new copies of their catalogues as they appear. At least four copies of the catalogues and price lists should be forwarded. The Trade Commissioners in their correspondence frequently mention the great assistance it is to them in their work to have up-to-date catalogues on file in their offices, as these are frequently loaned to exporters. Up-to-date catalogues and price lists form a valuable aid to the Trade Commissioners in their efforts for the extension of Canadian export trade.

NOTICE TO CANADIAN EXPORTERS INTERESTED IN THE MARKETS OF CHINA

Mr. L. M. Cosgrave, Canadian Trade Commissioner in Shanghai, intends towards the end of April to undertake a business mission to South China, which includes Hong Kong and the ports of Canton, Swantow, Amoy, and Foo-chow. As the chief purpose of this tour is to allow the Trade Commissioner to become personally acquainted with the leading importers of Hong Kong and the other cities of South China, Canadian manufacturers and exporters interested in this market are strongly requested to supply him immediately, addressed to

his office in Shanghai, with latest catalogues, discount lists and c.i.f. prices main China ports, together with (where possible) small samples.

In September or October Mr. Cosgrave intends to visit Northern China, in which are the cities of Hankow, Tientsin, Peking, Dairen, Harbin, Mukden, Tsinanfu, and Tsingtao.

It is a frequent practice in China to maintain separate agencies for the southern and northern parts of the country, and manufacturers who desire to make such separate arrangements are requested to notify the Shanghai office to that effect as soon as possible.

THE BUTTER MARKET IN THE UNITED STATES

TRADE COMMISSIONER FREDERIC HUDD

New York, March 8, 1926.—The duty on butter imported into the United States, as already noted in the *Commercial Intelligence Journal*, has been increased from 8 cents to 12 cents per pound by an order of the President dated March 6, under the flexible provisions of Section 315 of the United States Tariff Act of 1922, on the recommendation of the Tariff Commission, which advised that a higher rate of duty was necessary to meet the competition of butter from Denmark. The increase amounts to 50 per cent, which is the highest the President may order under the Act. The proclamation authorizing the new rate of duty stated that the previous duty did not equalize the cost of production in the United States and Denmark.

CANADIAN BUTTER

The new rate of duty is likely to have a marked effect upon exports of Canadian butter to this market. Under the previous rate of duty the Canadian product generally sold below the domestic, but under the new conditions it will be more difficult for Canadian shippers to quote a price which, plus the duty, will enable their line to compete. Canadian exporters who are able to ship butter to the United States, under the new conditions, are again reminded that the method of packing preferred in this market is in tubs of 60 pounds net, to which the trade here is accustomed. A complaint heard against shipments of Canadian butter in the past is that taking a car as a whole, there are frequently different creameries and a consequent variation in the quality of the product, which makes it difficult to set a satisfactory price at point of shipment.

DANISH BUTTER

In addition to Canadian shipments, butter has been coming into the United States from Denmark, Holland and the Argentine. In the early part of 1923, there was a shortage of butter and at that time New Zealand butter found a market here. (See report by the writer on "Prospects for Canadian Butter in the United States Market": *Commercial Intelligence Journal* No. 989, January 13, 1923). Since then, in spite of the duty, the Danish product appears to have been underselling the domestic product to a greater extent than butter imported from other countries and whenever domestic prices rose, imports of the Danish product increased. Many consumers prefer the Danish product to the domestic, as it has much less moisture and a fine even texture.

UNITED STATES IMPORTS OF BUTTER

Imports of butter into the United States since the Tariff Act of 1922 became effective have been as follows:—

	Total		From Canada	
	lb. Quantity	\$ Value	lb. Quantity	\$ Value
1925..	7,212,013	2,645,685	3,483,098	1,210,158
1924..	19,404,816	7,046,940	2,761,858	940,121
1923..	23,741,247	8,507,365	6,023,776	2,294,062

EMPIRE SHOPPING WEEKS IN SCOTLAND

TRADE COMMISSIONER G. B. JOHNSON

Glasgow, February 23, 1926.—Empire Shopping Weeks are being organized in many of the principal cities and towns in Great Britain. This is part of the present campaign to induce the British public to buy Empire products in preference to those of foreign production. These shopping weeks furnish an opportunity for Canadian firms who have agents or representatives in this country and stocks on hand to press home the campaign in favour of their products. This campaign originated at the Wembley Exhibition and was continued, so far as food products were concerned, by window displays organized by this office during 1924 and 1925 in many of the principal cities in Scotland and Northern Ireland.

The latest city to take up the Shopping Week idea in Scotland is Perth, where the week will commence on May 3. The Perth committee and this office are closely co-operating, and it is hoped that Canadian firms will be well to the fore. The principal grocery establishment in Perth has promised to devote an entire window to a Canadian display, which is no small advantage when it is remembered that firms in Great Britain and the other Dominions will be well represented also.

The stocking and display of these products both by the retailers and the local wholesalers who supply them will in many cases be conditional on the "sale and return" plan. This means that stocks not sold may be returned to the agent. Any Canadian firms who wish to take part might ask their British agents to get in touch with this office for further particulars. Arrangements have been completed to show Canadian films at Perth in connection with the Shopping Week, and these will be well advertised for the information of the city itself and the surrounding country. It may be mentioned that the week applies to all commodities sold in retail shops and not to food products alone.

BRITISH INDUSTRIES FAIR AT BIRMINGHAM

TRADE COMMISSIONER DOUGLAS S. COLE

Bristol, February 27, 1926.—The seventh British Industries Fair at Birmingham—held in the exhibition buildings, Castle Bromwich, from February 15 to February 26—has been most successful both from the point of view of numbers of exhibitors and business results.

The experiment of holding the fair at a later date in the year has not been repeated, and it has been found that February is a convenient month for overseas buyers who are thus enabled to visit England before proceeding to the continent for the Leipzig and other continental fairs.

The primary object of the exhibition is the promotion of export trade, and it is claimed by the authorities that the influx of representatives of foreign and colonial firms has been larger than in previous years. Canada and other dominions as well as the colonies, the United States, the South American republics, and the countries of the Far East, have all sent buyers.

GROWTH OF THE FAIR

Manufacturers in this country are realizing to an increasing extent the scope which the fair offers for the promotion of British trade. This is borne out by the fact that there were a larger number of exhibitors than on previous occasions, and the amount of space occupied was considerably greater. As an industrial exhibition the present fair constitutes a record for the provinces. The three large exhibition buildings at Castle Bromwich, which were scarcely filled last year, proved inadequate for the space which was demanded. In order to

meet the requirements of exhibitors, a fourth building, a permanent brick structure, with 9,000 feet of floor space, had to be erected between the second and third buildings. The total number of exhibitors was nearly 500, and the amount of space occupied by the stands was approximately 85,000 square feet, compared with about 60,000 square feet last year. This growth is the more remarkable when it is remembered that last year the London section of the fair was held in conjunction with the London section at Castle Bromwich.

As in former years, the Birmingham Chamber of Commerce is responsible for the organization and control of the fair, and they have again received valuable help from the Birmingham Corporation who have co-operated with the Chamber in the work of organization.

Trade organizations were present in considerable numbers and included the Incorporated Municipal Electrical Association, the Midland Builders' Federation, the Ironmongers' Federated Association, Chambers of Commerce of Liverpool and Sheffield, the Electrical Contractors' Association, the National Hardware Association and others.

RANGE OF EXHIBITS

Details of exhibits by commodities were published in *Commercial Intelligence Journal* No. 1140 ((December 5, 1925) and will not be recapitulated. The chief groups will be sufficient for this report and were as follows:—

- (1) Brassfoundry, hardware and ironmongery.
- (2) Metals.
- (3) Construction, building and decoration.
- (4) Power, lighting, heating, cooking and ventilating equipment.
- (5) Engineering.
- (6) Agricultural machinery and implements.
- (7) Mining appliances and requisites.
- (8) Motor cars, cycles, cycle accessories, and perambulators.
- (9) Guns, saddlery and harness, and fishing tackle.
- (10) Brewing, distilling and catering plant and fittings.
- (11) Publicity services and trade propaganda organizations.

Brassfoundry and hardware constitute, as last year, one of the chief departments of the fair and have a building to themselves. A second building contained the bulk of the engineering exhibits—nearly 200 firms represented—whilst a third contained the eighty stands of the electrical industry.

The hardware display was large and comprehensive, and the diversity of manufactured products extraordinary. Although mass production methods making for standardization and cheapness are pursued in many brassworks, it is to be noted that there was still a good demand for superior products fashioned on exclusive patterns of an individual character. Cheap stamped goods were shown to meet the closely cut prices of continental competitors. Hollow-ware was well represented. There was a range of galvanized, enamelled, cast-iron and aluminium ware, and the specimens on the stands indicate that these trades are catering for home and overseas requirements. The safe and lock trades were well to the fore, and those of the japanners and wire workers also had representative sections.

Wire (non-ferrous and ferrous) in every conceivable gauge, from the heavy pinions used in engineering to the hair-like wire required in "wireless", were shown. It was interesting also to observe the many directions in which wire caters for simple personal, as well as for domestic requirements—from needles to hooks and eyes; from fly-killers to meat-safes. With public attention directed to housing, matters relating to the equipment of artisans' and other dwellings have special interest. The displays of ranges, fireplaces, combination grates, ovens and heaters, and radiators and coppers were in great variety.

Direct evidence of the efforts of British manufacturers to displace many kinds of foreign made goods which have secured a hold on the United Kingdom market was provided by some of the exhibits.

The Birmingham Chamber of Commerce announced prior to the fair that many firms whose plant and organization enabled them to do so were determined to meet their rivals from abroad on equal terms, the results of which were seen at the 1926 fair. In response to inquiries as to the type of goods to which this policy applied, the following list was supplied:—

Exhibits Specially Designed to Supplant Similar Articles of Foreign Manufacture

All-British Product	Competing Country
New and improved temperature regulators for industrial plant. Practically all competition is from	United States.
Small rubber-roller wringing machines.....	United States and Germany.
Wireless terminals and accessories.....	Switzerland.
Special range of time recorders.....	United States.
Art metal jardinières, cases and rose bowls, smokers' stands, meat safes from original German patterns.....	Germany.
Vacuum self-freezers	United States.
Thermometers for poultry farmers	United States.
New design single ram pumps	United States.
Electric motors suitable for any climate.....	Continent and United States.
New type of firebricks (for furnaces).....	Germany and Austria.
Adze eye nail claw hammers, also other types of hammer, hatchets, etc.	United States.
Variable speed transmission gear, with new and distinctive features	United States.
White enamelled sponge and soap baskers.....	United States.
Food-chopping machines, coffee-grinding mills.....	Germany and Austria.
Electric switches	United States.
Special coal pulverizer, enabling use of low-grade coal and fine slack	France and United States.
Special type of kettle.....	Germany.
Leather cloth for motor hoods.....	United States.
Food mincers	Sweden and United States.
Portable forges	United States.
Glazed tiles for fireplaces	Holland.
Oil cooking ovens	United States.
Zinc sheets, nickelled, brassed and coppered.....	Germany.
Phenolic condensation products; moulding powders, impregnation varnishes, mouldings	United States.
Grinding and polishing block for reducing the cost of motor repairs	United States and Germany.
One-ton and two-ton-trucks, electrically propelled, self-loading, of new design specially for congested factories where gangways are narrow and irregular, and small turning circle is essential; working exhibits to show economies effected	United States and France.

Several exhibitors of products intended to compete against goods now imported from abroad do not refer specifically to the competing country.

All-British Product

Cheap household scales.
 Hydro baskets coated with metals to avoid necessity of ebonizing on the Continent.
 Special compact wireless components.
 Foot valves and strainers.
 Metalware in brass and oxidized silver.
 Switchboard moulded panels.
 Aluminium hot-water bottles of improved design; aluminium kettles and teapots.
 Board panelling.
 Metal pit props to reduce importation of foreign timber for this purpose.
 Penny oil can.
 Visible weighing machines for very wide range of special industrial purposes, giving greater speed and maximum accuracy.

Semi-rotary pumps for hot water supply (household).
Spot, butt and chain welding machines.
Carpenters' braces, hack-saw blades, and reamers.
Crude-oil engines of synchro-balance type.
Steel strip—black hot rolled, bright cold rolled; and bright cold rolled close annealed.
New improved showcard and price-ticket machines.
Enamelled steel hollow-ware.
Soluble cotton in all viscosities.
Concrete roofing tiles of different patterns and colours.
New type bucket sprayer.
Magnetic separators which will extract anything ferrous, "from smallest speck of magnetic dust from powdered ebonite to crowbars in coal."
Electric lamp holders and wall plugs.
Radiator steam traps.

This brief summary was supplied by the Birmingham Chamber of Commerce from early information supplied by exhibitors. The above exhibits were of particular interest to the writer in view of the fact that Canadian manufacturers will recognize certain commodities at present being exported from Canada to the English market.

CANADIAN EXHIBITS

By previous agreement Canadian exhibitors concentrated on the London section of the British Industries Fair at White City, so with a few possible exceptions Canadian firms were unrepresented at Castle Bromwich, Birmingham. The exceptions were Canadian manufactured kitchen cabinets and refrigerators which looked most up-to-date and which are certainly superior to the English product. Patent casks were exhibited also, which were made from Canadian veneer and are suitable for packing all types of dry goods.

Respecting the 1927 Birmingham section of the British Industries Fair, Canadian manufacturers and exporters of washing machines, wringers, domestic woodenware, industrial rubber goods, motor cars, building materials and general hardware would do well to study the benefits to be derived by exhibiting.

EXPORT TRADE CREDITS

A prominent advertisement in the fair catalogue is devoted to the Export Credits Department of the Department of Overseas Trade. That department is prepared to entertain proposals to guarantee payment of drafts drawn against the shipment of goods wholly or partly produced or manufactured in the United Kingdom, other than arms and ammunition, to destinations outside the United Kingdom.

With the Government guarantee the exporter is in a position to negotiate a bill on favourable terms, and in any case, in return for a small premium, the exporter has the Government as a partner to carry a proportion, usually 42½ per cent, of the total risk.

CATALOGUES

The catalogue of the fair is an excellent index of the products of the Midlands and is well worth filing. It is printed, as in previous years, in English, French and Spanish.

A few copies have been forwarded to the Department of Trade and Commerce and may be obtained on application. (Quote file No. T/C-7-101).

EXTERNAL TRADE OF SOUTH AFRICA DURING 1924

TRADE COMMISSIONER G. R. STEVENS

XV

Miscellaneous—Continued

[Imports and exports of South Africa were discussed in general terms in the first instalment of this report, which was published in *Commercial Intelligence Journal* No. 1130; *Foodstuffs Imports* in Nos. 1131 and 1132; *Textiles and Clothing* in Nos. 1133 and 1134; *Machinery and Tools* in Nos. 1143, 1144, 1147, 1148, 1149, and 1150; *Automotive Requirements* in Nos. 1152 and 1153; and *Miscellaneous* in No. 1154. Further instalments of this report, which deal with the import trade of South Africa in the light of the recent revision of the tariff, will be published in later issues.]

Drugs, Chemicals, and Fertilizers

ACETIC ACID

	1924		1923	
	galls.	£	galls.	£
Great Britain	4,501	1,969	3,538	2,332
All suppliers	5,406	2,285	3,796	2,463

The above figures only represent imports of acetic acid and vinegar essence for vinegar making. There is in addition to this trade a small import of acetic acid for use in the tanning industries, but such imports are not differentiated in the customs returns. The latter business is not particularly large, but it is growing.

CAUSTIC SODA

	1924		1923	
	lbs.	£	lbs.	£
Great Britain	4,981,087	65,247	5,001,844	66,109
United States	1,271,455	7,315	623,391	3,548
All suppliers	6,286,459	72,906	5,679,286	70,304

This soap-makers' requisite is supplied largely from one British combine, which has subsidiary Canadian and American plants, and there is also a limited local production. The American imports for the year under review are probably abnormal as no such quantities are shown in other years.

CYANIDE

	1924		1923	
	lbs.	£	lbs.	£
Great Britain	7,170,453	276,165	5,982,507	244,376
All suppliers	7,520,943	289,018	6,899,011	282,706

This large trade for the gold mines has always been a British business, although every year a few shipments are obtained from continental and American sources. It is stated that British prices are usually somewhat better than those of competitors and British qualities leave no room for improvement. It is rather odd, in view of the extent of cyanide manufacture in Canada and the United States, that a better showing has not been made by these countries in this chemical.

CARBIDE

	1924		1923	
	lbs.	£	lbs.	£
Canada	368,270	3,171	453,200	3,779
Norway	488,560	3,084	638,612	4,485
All suppliers	1,095,050	7,818	1,915,118	13,305

The use of acetylene is not widespread in South Africa, although there are a considerable number of small plants operating in the mining areas. The imports, however, only represent a fraction of the total requirements. Since 1921 imports have been reduced to one-fifth owing to the competition of South African carbides. The local manufactures are of excellent quality, it being

alleged that they are superior to imported carbides. Moreover, they are manufactured on the Rand, where the chief demand exists, and it is only the South African inland freight rate which permits occasional parcels of imported supplies to compete at the coast ports. There would appear to be little or no future for this chemical in this market.

FOOD COLOURINGS

	1924		1923	
	lbs.	£	lbs.	£
Great Britain	63,855	4,061	....	4,541
All suppliers	65,752	4,486	....	7,135

The imports for the two years under review are subnormal, there being a somewhat better market than the figures suggest. Butter colour is one of the chief imports, but there is likewise a considerable sale of other dyes in the canning industries, particularly in connection with vegetable products.

INSECTICIDES

	1924		1923	
	lbs.	£	lbs.	£
Great Britain	4,082,323	124,970	....	138,457
All suppliers	5,975,561	175,998	....	148,176

Insect and parasite pests are one of the chief problems of South African agriculturists and preventive measures are essential in practically every sphere of agricultural activity. There is therefore a large market for insecticides in South Africa.

The statistics of imports only represent a fractional percentage of this demand as there is a large and efficient local manufacture by branch plants of world-famous organizations. The locally manufactured goods are of the best quality and are extensively advertised. Therefore it is doubtful if any particular increase in the present imports can be anticipated.

Among fruit and vegetable sprays calcium arsenate and lead arsenate are of particular importance. Both are manufactured in South Africa, and the imports are inconsiderable, the total requirements of which approximate 150 tons per annum. Arsenate and arsenite of soda are imported in considerable quantities for the manufacture of animal dips, but this trade is diminishing before the supply of locally manufactured dips which contain other ingredients beside the pure chemicals. A certain number of British cattle and sheep dips are so well known, however, that they continue to hold a fair share of the market. The new tariff has arranged for suspended duties upon these arsenical compounds, but the application of such duties is doubtful because of the opposition of the farming communities and the strength of the local manufacturers.

Among lesser chemicals there are small imports of dichlor benzol, ethyl chloride, and carbon tetrachloride for use in the manufacture of insecticides. There is likewise an import of a few thousand pounds of liquid chloride each year for the same purpose.

An expanding business in insect powders for domestic use is probable, due to the prevalence of both winged and crawling insects during the hot summer months. A special campaign has been inaugurated in a number of centres during the past season along the lines of the American "Swat the Fly" campaign. Both liquid sprays and dry powders can be sold, but there is considerable competition in such lines. A number of sprays are made locally, and others are imported under proprietary names and distributed with considerable advertising assistance by the large oil companies.

PHARMACEUTICAL SPECIFICS

	1924	1923
Great Britain	£ 91,846	£115,067
United States	22,495	27,024
All suppliers	120,299	156,518

Very considerable business is done in proprietary lines, particularly in the cheaper sections of the trade. The rural portions of South Africa are excellent

customers for well-advertised patent medicines of all types, and although a considerable number of such are prepared locally, large imports continue. Due to the duty and excise, preparations containing alcohol are usually made up in South Africa, as well as many types of dry pharmaceuticals such as pills, powders, and the like. The imports consist of a moderate number of world-famous preparations which have been popularized by the customary volume of advertising. In regard to the better section of the trade, the British system is followed and the large chemists sell a wide range of preparations under their own labels. Great Britain furnishes the majority of such supplies.

DRUGS—OTHER THAN SPECIFIC OR PROPRIETORY

	1924	1923
Great Britain	£ 97,164	£148,793
Germany	12,262	18,084
United States	10,985	32,921
All suppliers	136,756	223,504

This considerable business is filled by a few of the large international drug houses. It is not a demand to which Canada could cater in competition with such firms.

FERTILIZERS

	1924		1923	
	lbs.	£	lbs.	£
All suppliers	187,021,293	266,846	107,320,706	168,478

Fertilizers vie with insecticides as the chief necessities of the South African farmer. On account of the aridity and scant mineral content of the South African soil, and also because modern practice with reference to rotation of crops is disregarded or is impracticable, every South African agriculturist is dependent upon fertilizers to a certain degree.

As in the case of insecticides, the imports, although amounting to a considerable total, only represent a fraction of the demand, as one or two very large plants in the Union are devoted to the manufacture of superphosphates and potash manures. Nevertheless, superphosphates constitute the chief imports, shipments to the value of £122,443 having been brought in during 1924. Of these imports over 80 per cent were of Dutch origin.

Basic slag is the next important item, amounting in value in the same year to £39,482, almost all of which was supplied by Belgium. Potash manures came from Germany, the total imports amounting to £26,529. Raw phosphates were furnished by Egypt and the United States to the value of £20,680. Bone manures come particularly from Holland and Great Britain, while lesser requirements consisted of sulphate of ammonia, nitrate of soda, whale manures, and guano from islands off the African coast.

PERFUMERY AND TOILET PREPARATIONS

	1924	1923
Great Britain	£ 90,787	£ 70,932
France	20,444	25,141
United States	57,671	72,423
All suppliers	171,227	171,499

This item only covers preparations of a non-spirituous nature. The bulk of the perfumery trade is cheap in quality, being destined for rural and native areas. Of the above imports approximately two-thirds consist of perfumery, powders, and other distinctly feminine preparations, one-third being tooth powders and similar concoctions for the use of both sexes. In both divisions of the trade Great Britain is predominant, although the United States and France appear as considerable suppliers. It is probable that the British business is better handled from a selling point of view than that of other nations because of the affiliations of the South African pharmaceutical trades with those of the mother country.

EXPORTS FROM CANADA TO THE UNITED STATES OF PRINCIPAL COMMODITIES PRODUCED ON CANADIAN FARMS, OR MANUFACTURED DIRECTLY FROM SUCH FARM PRODUCTS, DURING THE MONTH AND FIVE MONTHS ENDED FEBRUARY, 1921, 1922, 1925 AND 1926; WITH UNITED STATES TARIFF RATES IN FORCE

(COMPILED BY THE EXTERNAL TRADE BRANCH, DOMINION BUREAU OF STATISTICS AND THE FOREIGN TARIFFS DIVISION)

Commodities	Month of February				Five Months ended February				United States Tariff Rates in force		
	1921	1922	1925	1926	1921	1922	1925	1926	Prior to May 27, 1921	From May 27, 1921 to Sept. 21, 1922	Subsequent to Sept. 21, 1922
Animals (except for improvement of Stock)											
Cattle.....	5,084	1,600	3,462	8,121	169,521	105,963	40,891	77,569	Free	30 p.c.	(a)
Horses.....	287,462	37,875	76,363	249,646	12,853,650	1,901,932	1,192,410	2,589,628	Free	10 p.c.	(b)
Poultry.....	24,805	26,810	12,810	30,734	272,609	198,497	47,988	55,901	10 p.c.	1c. per lb.	3c. per lb.
Sheep.....	18,091	15,448	25,028	33,833	543,875	548,003	480,292	688,752	1c. per lb.	22c.	\$2 per head
Fruits—	14,988	14,580	21,664	27,900	612,995	51,848	22,855	27,926	Free	30c. bu.	25c. bu.
Apples, green or ripe.....	296	4,891	3,063	1,172	120,253	104	32,219	24,021	10c. bu.	50 lb.	30c. bu.
Apples, dried.....	5,427	41,532	42,651	1,941	1,085,358	294,992	179,940	120,433	1c. per lb.	1c. per lb.	2c. per lb.
Berries, fresh.....	666	126	8	389	58,781	638,754	53,063	113,369	1c. per qt.	1c. per qt.	14c. per lb.
Grains—	4,959	27,500	6,494	344	28,823	45,897	9,640	3,538	15c. bu.	48 lb.	20c. bu.
Barley.....	3,301	1,375	1,240	652	128	2,736	8,304	3,457	2c. lb.	14c. lb.	10c. per 100 lb.
Beans.....	722	925	6,938	6,077	1,775	3,492	425,444	305,723	Free	Free	10c. per 100 lb.
Buckwheat.....	35,014	8,556	70,240	20,528	170,434	76,638	397,747	292,720	6c. bu.	32 lb.	15c. bu.
Oats.....	41,711	7,371	16,314	15,174	603,138	1,238,632	126,124	134,172	10c. bu.	60 lb.	1c. lb.
Peas, whole.....	123,014	107,319	10,647	11,435	380,279	570,399	405,805	297,865	20c. bu.	60 lb.	14c. lb.
Peas, split.....	6,491	27,467	182,112	70,872	178,338	14,372	3,000	100	15c. bu.	48 lb.	20c. bu.
Rye.....	19,504	3,943	1,467	4,462	576	53,892	7,074	5,998	Free	Free	15c. bu.
Wheat.....	30,861	2,813	2,106	3,100	277,565	78,484	5,161	4,037	35c. per bush.	42c. bu.	60 lb.
Grain Products—	4,247,652	25,157	77,931	112,504	37,467,310	9,218,788	1,870,775	6,415,772	Free	Free	20 p.c.
Bran, shorts and middlings.....	7,769,354	29,630	15	133,980	80,963,567	10,317,036	2,780,998	8,684,661	Free	Free	25 p.c.
Wheat Flour.....	60,690	1,876	135,614	161,705	568,565	261,086	1,153,868	1,527,268	Free	Free	2c. per lb.
Meats—	102,422	2,465	195,993	181,705	1,021,409	255,798	1,501,324	1,920,378	Free	Free	3c. p. lb.
Bacon, hams, shoulders and sides.....	198,712	60,936	634	1,024	805,035	342,703	5,254	9,564	Free	Free	2c. per lb.
Beef, fresh, chilled or frozen.....	1,759,998	348,592	5,257	7,782	9,113,836	2,073,523	30,886	66,776	Free	Free	3c. p. lb.
	639	77	1,694	858	1,721	558	7,108	5,356	Free	Free	2c. per lb.
	18,634	2,527	40,453	35,569	63,561	18,623	154,535	186,329	Free	Free	2c. per lb.
	8,957	908	1,306	10,997	128,248	99,314	14,607	60,803	Free	Free	3c. p. lb.
	130,350	8,013	13,414	116,087	1,864,713	1,043,769	132,003	694,721	Free	Free	3c. p. lb.

Mutton and lamb, fresh, chilled or frozen.....	Cwt.	118	2,642	86	285	40,073	52,411	579	17,821	Free	2c. per lb.	(h)
Pork, fresh, chilled or frozen.....	Cwt.	2,969	48,782	2,566	6,339	1,022,832	885,633	13,586	439,492	Free	2c. per lb.	
Pork, dry-salted and pickled.....	Cwt.	312	978	2,116	2,492	4,467	4,581	38,883	17,052	Free	2c. per lb.	
Poultry, dressed or undressed.....	Cwt.	15,271	17,482	54,044	66,311	622	105,771	682,729	402,606	Free	25 p.c.	
Other meats, including canned meats, but excluding extracts.....	Cwt.	108	5,866	3,157	34,430	9,795	1,917	5,519	1,788	Free	2c. per lb.	
Milk and milk products—												
Butter.....	Lb.	4,660	106,004	239,882	7,004	1,482,663	2,593,325	832,681	356,015	Free	25 p.c.	
Cheese.....	Lb.	2,422	26,158	88,764	3,044	744,148	980,808	336,151	143,011	24c. per lb.	6c. per lb.	
Cream.....	Gal.	169,240	7,909	16,400	14,700	269,570	2,537,374	16,800	96,000	20 p.c.	23 p.c.	(i)
Milk, fresh.....	Gal.	41,428	2,242	4,745	4,745	34,298	388,321	43,938	31,843	Free	5c. gal. (j)	
Milk, condensed, including milk powder.....	Lb.	21,046	47,850	98,211	93,223	354,792	652,353	903,779	1,193,745	Free	20c. gal. (j)	
	Gal.	35,822	60,077	200,244	184,669	579,700	953,952	1,603,028	2,233,590	Free	24c. gal. (j)	
	Lb.	45,120	91,111	118,796	218,338	429,749	545,954	1,215,613	1,761,215	Free	24c. gal. (j)	
	Lb.	13,213	22,106	23,219	49,348	137,542	128,656	234,909	356,839	Free	24c. gal. (j)	
Seeds—												
Clover seed, alsike.....	Bush.	1,186,334	850,160	259,300	38,161	4,041,369	88,257	4,833,726	2,462,500	Free	2c. per lb.	1c.—3c. lb.
Clover seed, alfalfa and red.....	Bush.	212,905	96,904	38,161	16,365	26,278	71,796	104,587	112,635	Free	4c. per lb.	
Clover seed, other.....	Bush.	7,735	19,842	21,448	195,477	340,495	645,547	887,405	1,258,674	Free	4c. per lb.	
Flaxseed.....	Bush.	103,681	2,970	3,300	8,357	9,955	4,022	21,889	38,762	Free	4c. per lb.	
Grass seed.....	Bush.	28,418	45,363	84,506	9,473	14,724	15,239	93,923	87,498	Free	4c. per lb.	
Potatoes.....	Bush.	9,596	22,591	116,261	115,894	73,464	50,614	548,784	314,745	Free	30c. bu. 56 lb.	40c. bu. 56 lb.
Sugar beets.....	Ton	43,753	55,293	35,853	2,914	814,995	1,405,752	1,407,265	1,149,845	Free	5 p.c.	
Turnips.....	Bush.	19,068	98,341	92,822	2,914	1,714,695	2,616,009	3,175,569	2,661,279	Free	15 p.c.	
Miscellaneous Products—												
Eggs.....	Doz.	28,730	8,654	13,366	12,970	61,314	52,865	78,988	18,641	Free	2c. per lb.	
Hay.....	Ton	59,771	39,268	29,970	31,189	1,262,488	666,974	158,511	3,735,263	Free	25c. bu. 60 lb.	50c. per 100 lb.
Maple sugar.....	Lb.	187,991	171,967	329,914	521,424	11,502	63,151	132,855	45,097	Free	5 p.c.	
Tallow.....	Cwt.	40,786	134,736	66,112	140,033	1,499,438	1,451,067	2,382,196	2,907,927	Free	15 p.c.	
Wool.....	Lb.	1,275	462	199	159	124,213	110,689	39,399	55,175	Free	8c. per doz.	
	Lb.	1,759	199	101	64	87,741	53,262	22,088	42,439	Free	\$2 ton 2,240 lb.	\$4 ton 2,240 lb.
	Lb.	5,303	319	14,944	52,506	42,531	20,953	610,962	1,851,041	Free	3c. per lb.	4c. per lb.
	Cwt.	114,109	9,023	159,365	489,358	955,739	20,953	1,208,422	1,423,999	Free	Free	
	Lb.	20,360	194,920	40,343	380,144	1,167,235	89,342	315,573	99,666	Free	4c. per lb.	
	Cwt.	50,001	16,098	75,762	45,073	276,843	8,503	10,172	5,381	Free	4c. per lb.	
	Lb.	2,778	365	1,140	1,029	8,891	46,775	84,751	49,055	Free	4c. per lb.	
	Lb.	13,558	1,733	9,209	324,851	4,961,086	129,872	2,585,975	4,060,878	Free	4c. per lb.	
	Lb.	397,085	22,417	154,883	118,739	1,187,053	14,167	1,105,002	1,001,027	Free	(i)	
Total value of above commodities ...	\$	11,354,631	1,478,624	2,055,481	2,895,857	119,701,345	28,856,054	19,246,011	32,806,428			

(a) Cattle weighing less than 1,050 pounds, 1½c. per lb.; 1,050 pounds or over, 2c. per lb. (b) Horses valued at not more than \$150 each, 30 per cent; more than \$150 each, 20 per cent. (c) Sheep one year old, \$1 per head; less than one year old, 75¢ per head. (d) Prior to April 6, 1924, 30c. per bush. (e) Prior to May 27, 1921, to September 21, 1922, free; if wheat products, but otherwise apparently 15% ad val.; from September 21, 1922, to April 6, 1924, 15% ad val.; subsequent to April 6, 1924, if from wheat 7½% ad val.; if from other cereals, 15% ad val. (f) Prior to April 6, 1924, 78c. per 100 lb. (g) Apples to particular meat in question when "fresh." (h) Mutton fresh, 2½c. per lb.; lamb, fresh, 4c. per lb. (i) Cheese, 3c. per lb., but not less than 25 per cent. (j) 1 c. 231 cubic inches about equal to five-sixths of imperial gallon. (k) Clover seed, crimson, 1c. per lb.; white, 3c. per lb. and other, 2c. per lb. See *Commercial Intelligence Journal* No. 974, Sept. 30, 1922, pages 510-7.

COMMERCIAL NOTES FROM NEW SOUTH WALES

COMMERCIAL AGENT B. MILLIN

Sydney Motor Show

Sydney, February 11, 1926.—The first motor show held at Sydney in the last five years was opened on January 15 and continued until the 26th. It was held on the Agricultural Society's show ground, on which are situated the largest halls in Sydney. There were 142 exhibitors, showing fifty-three different makes of cars with a value of £1,000,000.

Practically all countries manufacturing motor cars had exhibits, with the British firms having the largest display, followed by North American and European makes in order of importance.

Building Operations at Sydney

There was a considerable falling off in the value of buildings erected at Sydney during last year, the value being estimated at £11,587,000, as compared with £14,346,000 for 1924, which was a record.

New South Wales Wheat Standard

The grain trade sectional committee of the Sydney Chamber of Commerce fixed the fair average quality standard for wheat at 62½ pounds to the imperial bushel for the season of 1925-26.

The feature of this year's sample was its fine quality. On two previous occasions only has the standard been higher, namely, in 1907-8 and in 1918-19, and in each instance it was fixed at 62½ pounds. The average standard for the past ten years is 60½ pounds.

Manufactories in New South Wales

There were 580 new factories established last year in the state, with an increase of £3,363,555 in the value of land and buildings and £2,329,279 in plant and machinery. The value of materials used increased by £8,991,619 and that of output by £11,536,055, while the value added to goods by the process of manufacture increased by £2,061,730. Wages paid showed an increase of £1,678,000 and the average amount per employee was greater also.

Manufacturers anticipate that the operation of the new State Act in favour of 44-hour-week employment in lieu of the old standard of 48 hours will seriously affect their output this year, as some of the other states are working under the 48-hour award.

Production of Osmiridium in Tasmania

The discovery of osmiridium deposits on the Adams river was regarded as the most important mineral event in Tasmania last year. The field is extensive and easily worked, the deposits being at a shallow depth, and can be treated by ordinary methods. The total production of osmiridium from the deposit up to the end of December last was approximately 3,100 ounces valued at £93,000.

Australian Forestry

The recently issued 1925 annual report of the Forestry Commission states that timber to the value of £1,941,631 was imported into the state, while the value of exports amounted to £646,946. The bulk of the timber imported was Douglas fir, the balance being Eastern oak and Queensland and New Zealand softwoods. The timber exported was Australian hardwood, which on account of its lasting qualities is mainly used for wharf piles, girders, and wood blocking of streets.

The rapid depletion of timber fit for cutting in the adjoining state of Queensland, which has for some years been the main source of supply of Australian softwoods, has occasioned some considerable concern. The superfine softwoods are being rationed out under a system of working plan areas into which the state is divided and for which the regulated annual cut is fixed. Reforestation is being systematically proceeded with, but it is estimated that it will take nearly sixty years for the trees to mature.

Sydney Wool Sales

On the recent basis of values, wool sales are proceeding satisfactorily from a grower's point of view. Queensland and New South Wales wools recently catalogued have been suitable for the Continent and have found ready buyers.

Adverse conditions in Bradford and in France continue to depress operations in those markets, but requirements of other districts are of sufficient volume to prevent any downward trend in values.

Ensuing sales should be helped by the fact that the selection generally will be attractive. During the next few weeks some of the state's best wools will appear in the daily catalogues, and there is a big proportion of stylish wools yet to be offered, which should attract North American and French buyers and have a favourable influence on average prices. All sections will find plenty of wools suited to their various requirements and there is every indication of a period of brisk buying.

It was estimated at the commencement of the season that there would be a total of 1,074,000 bales sold during the season at Sydney, but a recent revision of figures has reduced this total to 1,009,300 bales. At an average value of £21 per bale, which is about the present average value, the total value of wool sold this season at Sydney will approximate £21,195,300.

CANADIAN TRADE WITH THE MIDDLE EAST IN 1925

TRADE COMMISSIONER A. B. MUDDIMAN

Vancouver, March 3, 1926.—From the opening of an office of the Canadian Trade Commissioner Service at Singapore a steady growth in exports to the territory assigned to this office—Straits Settlements, Netherlands East Indies, Siam, and French Indo-China—has been recorded. The figures for the first six months of the fiscal year are given below from the year prior to the opening of the office. The figures are those from the Dominion Bureau of Statistics.

Fiscal years ending March—	1923	1924	1925	1926
Straits Settlements.. . . .	\$ 98,189	\$ 550,304	\$ 644,342	\$1,178,018
Netherlands East Indies.. . . .	308,128	687,650	530,056	1,252,710
Siam.. . . .	21,997	51,018	56,472	86,818
French Indo-China.. . . .	....	5,485	8,344	2,652
Total trade valued at.. . . .	\$428,314	\$1,294,457	\$1,239,224	\$2,518,198

FIBRES, TEXTILES, AND TEXTILE GOODS

Cotton duck manufacturers in the Dominion are still uninterested in this market owing to the lightness of weight called for in these countries. Progress has been made in the sales of hose, bathing suits, etc. There is a possible market for men's hats if samples were supplied. Canadian shoe laces are too high priced. Business might be done in singlets if firms would send samples and appoint local agents. Canadian sunproof fabrics cannot compete with the European in price. Small coloured tuques might sell if Italian prices could be met.

FOODSTUFFS AND DRINKS

In provisions, the main loss in the past year has been the trade with Singapore in British Columbia fresh apples and potatoes. This has all gone to California owing to the new direct Dollar Line boats from San Francisco to that port.

A beginning has been made in the import of honey. The small opening in oats and chicken feed has been neglected. Probably business will soon be done in rolled oats and hams. A business in Atlantic sardines was opened up with Java, the Straits, Siam, and Saigon. The products of five candy makers are coming into the area in small quantities. Small direct shipments of canned fruits, meats, and lobsters have been received. Canadian jams, biscuits, and flour are too high priced. Canned chum shipments have been below normal, but recent arrivals are bringing up the total in the Straits. Shipments of canned chum to the Dutch East Indies have been average and Siam has received good quantities. Canadian beer cannot be sold in this area on account of price, save in French-Indo China, where anti-German duties shut out German competition.

METALS AND THEIR PRODUCTS

The business opened up in gas and water pipes in the Straits Settlements has been maintained. Practically no trade has been done in hand tools as prices are too high. A few forges have been sent. In the shoe tack trade good orders have been received, but Canadian prices are becoming out of line.

Continental competition and low prices have kept Canadian firms out of the wire nail business. Sales of a few lawn mowers have been made. In the scale trade business has been over the usual quantity, particularly in the Dutch East Indies, where the new scales regulations are coming into force. It is time now for Canadian firms to enter seriously into such local wire trade as there is. Hollowware is out of the question. A small amount of machinery has been sold, such as portable gasoline saws and pumping outfits.

The automobile business has boomed largely and Canadian branch companies hold a large share of the trade. In the first six months of the present fiscal year 529 freight automobiles were shipped as against only 152 for a similar period last year to the Straits Settlements and 435 as against 189 to the Dutch East Indies. There were much larger increases in the export of passenger automobiles, particularly to the Dutch East Indies. In the motor car parts and accessories trade there has been a substantial all-round increase to the Straits, the Dutch East Indies, and Siam.

CHEMICAL AND DRUGGISTS' SUPPLIES

Canada, owing to high freight charges, is completely out of the large acetic acid market in the Middle East. Some formic acid is being used on rubber estates around Malacca.

RUBBER AND ITS PRODUCTS

A marked increase in the tire trade has been noticed all round save in solid tires. In pneumatic casings in the Straits there has been a large growth; in the Dutch East Indies the quantity imported is fairly firm. In inner tubes, the Straits have again increased the import; in Java the trade remains steady. Supplies for Siam pass through Singapore. The trade in canvas rubber-soled shoes is being maintained. There should be an increase for the year in the sales of rubber belting.

WOOD, PAPER, AND OTHER PRODUCTS

The new markets invaded with bond paper were Penang and Bangkok. The only wood wanted in the Straits is the box shook for crating petrol cans. The position in 1925 was not at all satisfactory. Japanese prices have undercut Canadian, with the result that for the first six months of the present fiscal year exports from the Dominion were nil to the Straits as against \$202,448 for the same period last year. Singapore is perhaps Canada's largest box shook market. No foreign woods are yet in demand for Naval Base construction work so far as is known.

MISCELLANEOUS

Patent leather has been introduced in Singapore and Saigon. No progress has been made in electrical goods, asbestos goods, and photographic films. Canadian prices are not competitive. A number of orders for joy cycles have been received. Initial orders for gramophone records, automobile paints, pipe cleaners, typewriter pads, have been negotiated. In Bangkok interest in the import of bottles has been revived. The trunk trade in wardrobe trunks created three years ago continues in Singapore and should be extended to Java. A sample shipment of leather shoes was brought in, and the writer believes that with adequate samples and c.i.f. prices business might be done with Java.

ECONOMIC CONDITIONS IN JAMAICA

F. L. CASSERLY, OFFICE OF THE TRADE COMMISSIONER

Kingston, February 27, 1926.—Prices paid for the principal agricultural staples remain low. Present f.o.b. values of the chief items of export are approximately as follows: sugar, refining crystals, basis 96 deg. polariscope test, per long ton, £13 10s.; rum, good, ordinary, per imperial liquid gallon, 3s. (nominal); bananas, per count stem, 2s.; coconuts, per 100 nuts, 8s.

General business conditions are moderately good. The tourist season to date has been quite successful, a considerable sum of money having been spent in the island by the visitors. As an indication of local financial conditions, it might be mentioned that the Jamaica Telephone Company's call for £30,000 for the purpose of installing a modern system brought forth in a few hours heavy over-subscriptions by the directors and shareholders.

A new sugar factory with a present productive capacity of 10,000 tons of sugar per annum and with an anticipated future capacity of about 15,000 tons has just been opened in the eastern part of Jamaica. This venture has been undertaken by a British syndicate of which the Duke of Athol and Lord Invernairn (formerly Sir William Beardmore) are prominent members. The entire sugar output of Jamaica for the present years is estimated at roughly 40,000 tons.

In the Acting Governor's speech at the recent opening of this year's session of the Jamaica Legislature a policy of protecting the few small manufacturing industries (mainly cigars, cigarettes and matches) which Jamaica possesses was foreshadowed. Later on this principle was embodied in a resolution which was accepted by the House. A bill has been introduced with a view to empowering the Government to raise money, by a debenture issue, for the construction of roads in connection with the lately completed railway extension (which latter was built by a Canadian firm of contractors).

COMMERCIAL CONDITIONS IN MEXICO

TRADE COMMISSIONER C. NOËL WILDE

Mexico City, March 1, 1926.—The commercial situation in Mexico during the month of February showed a continuance of the weakness which has characterized it during the past few months. This weakness is attributed to various causes, among which the most prominent in the mind of the public is the proposed legislation with regard to labour, oil, and lands held by foreign companies or individuals. This proposed legislation is at present under discussion between the various interests concerned, and nothing definite can be said as to its real effect on the progress of the country until the various differences of opinion are composed.

It appears more probable, however, that the present lack of purchasing power is due to factors of an economic rather than a political nature. In the first place the production of petroleum during the year 1925 decreased considerably as compared with 1924; this is an important industry on the east coast, more particularly in the district surrounding Tampico, and the reduction in output necessarily restricted the buying power of the area dependent upon it. Secondly, the recent slight decrease in the price of silver has affected mining operations; and finally, the reduced harvests have led to a great increase in the prices of foodstuffs consumed by the working classes and lessened the opportunities for employment in the agricultural sections of the country.

It may reasonably be expected that the present situation will continue for the next few months, after which any improvement will depend upon the course of events in connection with the various factors mentioned above.

With regard to petroleum, the Secretary of Commerce states, in a report recently issued, that from January 1 to February 10 of the present year 41 wells were brought in, with a combined daily average production of 279,816 barrels; during the same period 188 drilling permits were issued, which is an increase of 25 as compared with the same period in 1924. The total production for the year 1925 reached 115,514,700 barrels, as compared with 139,497,476 in the previous year. It is claimed that the position for January shows a decided improvement, but figures are not available at the time of writing.

Preliminary statistics of the foreign trade of Mexico for the past three years show the following results (in pesos, Mex.):—

	Imports	Exports
1925.	\$390,164,144	\$677,044,134
1924.	321,317,648	614,712,515
1923.	315,108,526	568,471,114

In connection with foreign trade, a revision has recently taken place in the freight tariffs of the National Railways system with the definite object of encouraging the export of the natural products of the country. The rates for export in some cases are reduced to about 50 per cent of those for interior use. Other reductions are made for local transportation which should have the effect of combating a recent alarming increase in the price of a number of articles of prime necessity upon which the majority of the population depend for existence.

The banking situation continues satisfactory, with possibly a slight increase in deposits during the month. Loans, however, are difficult to obtain and are made only on ample security. Collections among commercial houses are reported to be difficult, and there is a general tendency to restrict orders to the minimum both with local factories and importers. Exchange on New York varied only within small limits during the month, the peso being quoted on February 1 at 48.45 cents, and on the 26th at 48.60 cents. The discount on silver is about 1.50 per cent, having been firm at this rate for several months.

TRADE AND ECONOMIC CONDITIONS IN ARGENTINA

TRADE COMMISSIONER E. L. MCCOLL

NOTE.—1 Argentine gold peso equals 94.5 Canadian cents, 1 Argentine paper peso equals 41.58 Canadian cents at present rate of exchange.

Buenos Aires, February 2, 1926.—During the last six months the gold peso has been firm around 106 per 100 Canadian dollars, with a tendency to move towards par, which is 103.64. Since April, when the gold peso fell to 115, the lowest value of the year, it has been steadily strengthening until it now stands at a discount of about 2½ per cent.

Although exports for 1925 have not been as large as in 1924, prices have been well maintained and this fact, together with the exceptional production and exportation of the previous year, has placed both rural and urban communities

in a sound financial condition. There has been a slackening of grain movement throughout the year, but aggregate railway receipts show only a slight decline on account of the increased activity in other products.

The Federal and Provincial governments, as well as all the railways, maintain experimental farms from which seed samples are distributed as well as propaganda directed to improving the quality and output of cereal yields throughout the country. The research work and seed selection which is being carried on and the general information which is being circulated amongst the farmers is having a most beneficial effect. Not only has the production of established cereals been placed on an export footing but other products including cotton and sugar, and it is hoped in the near future to include tobacco. The meat industry is furnishing increased exports, resulting in packing house extensions and a greater demand for animals for slaughter. New markets for meat and butter have been found in Japan.

Banks.—Bank rates at the end of December ranged from $7\frac{1}{2}$ to $8\frac{1}{2}$ per cent for advances in current account, and 7 to 8 per cent for discounts, while $5\frac{1}{2}$ to 6 per cent was paid for fixed deposits of six months or over, and 5 to $5\frac{1}{2}$ per cent for fixed deposits of three months. Banking throughout 1925 was generally considered dull, although the steady request for money maintained a firm rate of interest for advances and discounts.

Clearing House.—The year 1925 shows a slight set-back in clearing house transactions from those of 1924. The volume of cheques cleared has shown a steady increase since 1916 to 1920, when the value of cheques cleared amounted to approximately 43,000 millions of paper pesos. These transactions dropped to a value of about 34,000 millions for 1922, increased to 40,173 millions in 1924, falling to 39,852 millions of paper pesos for 1925.

Real Estate.—Real estate transactions have shown a decrease in urban properties which has also been followed by a slight decrease in the value of building permits issued.

Commercial Failures.—The dullness in internal trade which took place during 1925 resulted in failures amounting in liabilities to 140,000,000 paper pesos, an increase of 54 per cent over the preceding year.

Post Office Savings Bank.—Both the value of deposits and the number of depositors in this state institution show an increase for the year 1925 over the preceding year.

Shipping and Freight.—Total port traffic shows a steady increase from 1921, when it stood at 11,000,000 tons, to 1924 when arrivals and departures totalled 20,000,000 tons. Inward and outward tonnage cleared for 1925, however, fell to 18,000,000 tons.

IMPORT TRADE

Argentine foreign trade for 1924 showed a turn in the tide towards a favourable balance of trade. For the three previous years there had been an average annual unfavourable balance of 63,00,000 gold pesos. This unfavourable balance suddenly changed in 1924 into a favourable balance of 182,684,000 gold pesos. Imports amounted to 828,710,000, while exports were valued at 1,001,395,000 gold pesos. As sources of supply Great Britain furnished $23\frac{1}{2}$ per cent, the United States 23 per cent, and Germany was third with 7.6 per cent. (Canada's share was about $1\frac{1}{2}$ per cent). A provisional estimate made by the National Statistical Department forecasts that the value of imports for the year 1925 will be approximately 880,000,000 gold pesos, with exports at 930,000,000 gold pesos, leaving a favourable balance of trade of 50,000,000 gold pesos.

Canadian trade with Argentina has been making very good progress during the last year, having almost reached \$11,000,000 (Canadian) for the twelve

months ending October, 1925, which is the highest yet recorded. This is an improvement of 17 per cent over the previous twelve months and 67 per cent over the period ending October, 1923. The principal Canadian articles imported into Argentina are sewing machines, newsprint, automobiles, agricultural machinery, canvas shoes with rubber soles, pneumatic tires and iron tubing, but the list contains a score of other articles which are showing encouraging progress. The writer is certain that many Canadian manufacturers could greatly increase their sales if they would make a visit to Argentina. A personal visit by the principals of firms manufacturing machinery, hardware, tools, paper, lumber, iron and steel products, would be certain, in a great many cases, to produce good results. Canadian manufacturers cannot sell such products as tools, machines, boilers or pianos in Argentina from catalogues. They must be willing to take the risk of placing samples in front of the buyer in Argentina for demonstration. Canadian manufacturers as a rule will not assume such a risk, but if they were to visit the different importers personally there is no doubt that much business could be initiated. If a Canadian manufactured article enjoys a sale in the United States or Europe, there is a very good chance that it can be sold in Argentina. If the Canadian product has successfully met world competition in any given neutral market, there is no reason why the manufacturer's trip to South America should not be a success.

TRADE AND ECONOMIC CONDITIONS IN CHINA

TRADE COMMISSIONER L. M. COSGRAVE

Shanghai, February 11, 1926.—The outlook for 1926 in China's trade is much more hopeful than has been the case for the past twelve months. Conditions are rapidly approaching normal throughout central China, though the same cannot be said for Hong Kong and Canton in the south, and Peking in the north. The strained relations between the Canton Government and Hong Kong continue to hamper severely trade between the colony and the West River district, and it is feared that these conditions, unless some drastic action is taken, will continue for some time to come.

Generally speaking, however, from a trading standpoint a definite improvement is apparent in the main groups of imports such as piece goods, iron and steel products, light machinery, cereals and foodstuffs. This improvement is due chiefly to the fact that the larger dealers are now buying for a fair period in the future, whereas practically all business during 1925 was conducted on a hand-to-mouth basis.

RAILWAY MATERIALS AND METALS

It is undoubtedly a fact that many of the big industries of China require replacements and new material. The railways in particular are reported to be in urgent need of new rolling stock, steel rails, bridge structures, etc. Great caution, however, must be exercised in granting credits.

Considerable interest has been aroused during the past month in the tenders by several railroads for equipment. These included rails, switches, plates, rolling stock, and miscellaneous materials for repair shops. The awarding of a contract by the Peking-Mukden Railway for 19,000 tons of rails has been temporarily postponed on account of the recent difficulties in North China. In general, the movement of supplies for railway materials shows a healthier trend than for many months past.

General business in metals is quiet, but steady booking of replacement orders is reported, and merchants appear to consider the volume of trade as all that can be expected under present circumstances. Though the demand is not

brisk, galvanized sheets are also moving fairly freely. Business in tubes has been at a minimum, but it is expected that fair orders will be placed after the China New Year. Very little inquiry is reported for wire nails, but the demand for scrap metal continues about normal.

EXPORTS OF SILK SATISFACTORY

One of the bright spots of an extremely difficult year from the China trading standpoint is the prosperous character of the raw silk business, which has helped the Chinese merchant to balance his losses in other commodities during the difficult trading conditions of 1925. Market conditions have been stable ever since November, 1924, and silk exports have been well maintained throughout the whole of 1925, particularly to the United States and France.

BANKING CONDITIONS

The banks in China, both foreign and Chinese, appear to have weathered the troubled conditions of 1925 without difficulty. With industry slack there was not much call for funds, and the general trend of banking opinion is one of restrained optimism in regard to 1926. There have been very few native bank failures, despite the troubled conditions of the last half of 1925. Though the general trend is of an extremely conservative nature, funds appear to be available for all legitimate trading activities, and with a continuation of the present normal conditions in this district the outlook for 1926 may be described as fairly promising.

WHEAT AND FLOUR TRADE SITUATION IN CHINA

TRADE COMMISSIONER L. M. COSGRAVE

Shanghai, February 19, 1926.—Local flour mills are now operating in a larger number than in previous weeks. With the receipt of some 15,000 tons of Canadian wheat a number of these institutions, which were compelled to close down for lack of supplies, have been enabled to commence operations again. In spite of this the number of mills now operating is about 50 per cent of the total, and it does not seem likely that any general amelioration will come to the market until the new season opens in June or when the foreign markets record cheaper prices.

Arrivals of Chinese wheat on the market are extremely scarce, and from now on mills will have to depend very largely on supplies of foreign wheat. Just what they will get depends largely on the course the foreign markets take. At the present moment it is not advantageous to buy from abroad, and it is unfortunate that the Chinese mills did not contract for considerably larger quantities. When Canadian wheat was low, it was thought that prices would go lower because rumours of a bumper Russian crop had gained credence in the Shanghai market. As a result of this, mills are now extremely short of supplies, and it is doubtful whether they will get another opportunity of buying Canadian and other wheats at the low rates which prevailed sometime ago.

As it stands at present, prices abroad are too high for the local market. For instance, Canadian wheat No. 1 is quoted at G.\$57 per ton, and No. 2 at G.\$1 cheaper, which prices represent an increase of G.\$3 per ton over last reports. In tael equivalent, they are too high for the local market. No business has been done in foreign wheat or foreign flour, and something must happen in the meantime to cause a greater approach to business. It seems likely, however, that the local market will move up closer to the level of foreign markets. American Club Straight flour is quoted G. \$1.94, while Chinese flour is standing at taels 2.405 for this month.

Chinese wheat is selling at taels 4.55 to taels 4.60 per picul (1 picul = 133½ pounds). Flour shipments from Japan to North China still continue. The contracts concluded from January to the middle of November amounted to about 3,500,000 bags, exclusively for North China. These large contracts for flour from Japan are unprecedented. This exceptional prosperity in the export flour industry in that country is attributed to the paralyzed condition of milling in Shanghai, the poor wheat crop in the interior of China, and a declining flour-milling industry in Harbin and other producing centres in North Manchuria.

BRITISH TRADE COMMISSIONERS IN CANADA

Canadian importers and others desirous of obtaining information regarding the export trade of the United Kingdom and British manufacturers desirous of representation in Canada, are invited to communicate with the under-mentioned:—

The Senior British Trade Commissioner in Canada and Newfoundland, 285 Beaver Hall Hill, Montreal, Que. Telegraphic address: "Britcom."

The British Trade Commissioner (for Ontario), 901-902 Bank of Hamilton Bldg., Toronto, Ont. Telegraphic address: "Toroncom."

The British Trade Commissioner (for Western Canada), 18 Commerce Bldg., Vancouver. Telegraphic address: "Vancom."

The Officer-in-Charge (for Manitoba and Saskatchewan), British Trade Commissioner's Office, 703 Union Bank Bldg., Winnipeg. Telegraphic address: "Wincom."

GENERAL CONDITIONS IN FRANCE

TRADE COMMISSIONER HERCULE BARRÉ

Paris, February 26, 1926.—An event of great economic importance is the commercial treaty recently concluded between France and Germany for a period of three months, granting to each country the advantages of the most-favoured-nation on a number of articles. It is hoped that during the next three months a permanent treaty may be signed. German woods, silks, certain chemical products, a number of agricultural implements, some household articles, and furniture other than bent-wood furniture, are amongst the most important items dealt with in this arrangement. A few Canadian lines may possibly be affected by this Franco-German commercial development.

WHEAT PROSPECTS FOR 1926

According to a semi-official note, the area of land sown with autumn wheat was less than had been intended, due to the amount of rain which fell in November. The land unsown is mostly in the neighbourhood of Paris and in the north, where the February and March sowings have a better chance of success. It is anticipated that, given ordinary weather conditions in the spring, the wheat crop should be sufficient for the home requirements this year.

METALS AND TEXTILES

Copper, tin, zinc, and platinum show slight increases in price. Graphite is in great demand, the supply being far short of the demand. Lead is slightly lower owing to arrivals from Australia. Aluminium maintains its prices, with firm tendency to slight increases, but mercury is weak. Iron and steel are uncertain, buyers adopting, or rather maintaining, a waiting attitude. Cottons are doing

well, and so are silks. In the latter industry there is a shortage of labour. Flax is weak. Laces and tulles are not doing well at all, most works being on short time.

GENERAL TRADE CONDITIONS

On the whole, trade and commerce are in a healthy condition, though the predominating temper is one of caution. There is practically no unemployment throughout the country, whilst many industries complain that they are short of labour. A promising feature of the situation is the steady electrification of the railways, thus gradually liberating the country from its partial dependence on foreign coal which drains heavily the national resources. The only cloud on the horizon is the uncertainty of the new taxes and the unstability of the franc. French interests demand the stabilization of the franc, with a steady but very slow rise in value. It is admitted that a rapid rise in the franc would do as much harm as is done by its erratic fluctuations, as it would tend to check exports and stimulate imports, thus reversing the favourable trade balance which is necessary to France in order to strengthen her ability to satisfy her foreign debts.

CANADIAN FRUIT IN FRANCE

Canada should secure a greater share of France's imports of table fruit, fresh and tinned. For instance, the United States sent to France, in 1925, table fruit to the value of 64,000,000 francs, against 66,000 francs' worth from Canada. Yet no country produces finer apples than Canada, and apples are generally of a poor quality in France. It is essential, however, that packing should be studied carefully, so that the fruit may reach the consumer in perfect condition. A few sample cases of splendid apples were sent here a while ago, which had been so badly packed that every apple had become square, therefore unfit for the market. Those to whom the apples were submitted pronounced the fruit exquisite, but its presentation and condition totally unsuitable for the market.

CHIEF IMPORTS FROM CANADA SHOWING INCREASES IN 1925 OVER 1924

	QUANTITIES GIVEN IN METRIC QUINTALS		Value in Francs	
	1924	1925	1924	1925
Cheese.. . . .	570	505	532,000	562,000
Canned fish, dry and salted.. . . .	88,233	86,044	33,540,000	39,484,000
Fresh fruits.. . . .	3	125	.....	66,000
Wood pulp—				
Chemical.. . . .	11,706	25,333	1,854,000	6,094,000
Mechanical.. . . .	65,504	191,255	2,555,000	7,599,000
Copper.. . . .	369	4,151	484,000	3,100,000
Lead.. . . .	8,581	16,058	2,566,000	5,760,000
Rubber goods.. . . .	1,474	2,387	3,468,000	6,859,000

CHIEF IMPORTS FROM CANADA SHOWING DECREASES IN 1925 OVER 1924

Meats, salted, etc..	1,373	23	1,093,000	17,000
Furs and raw skins.. . . .	4,133	1,400	3,900,000	2,437,000
Wheat and flour.. . . .	3,321,895	1,700,924	310,984,000	181,188,000
Sugar.. . . .	32,340	5,410	7,600,000	809,000
Fodder and bran.. . . .	610,971	167,243	31,269,000	10,395,000
Tar and asphalt.. . . .	7,089	3,571	4,278,000	1,005,000
Nickel.. . . .	10,637	34	6,804,000	49,000
Machinery.. . . .	104,237	97,561	38,639,000	32,496,000
Condensed milk.. . . .	677	19	185,000	12,000

IMPORT TRADE OF GERMANY DURING 1925

TRADE COMMISSIONER L. D. WILGRESS

Hamburg, February 9, 1926.—The statistics of German foreign trade for the year 1925 have recently been published and are of interest as indicating the tendencies of German trade since the adoption of the Dawes Plan. In the following review special attention is paid to those branches of the foreign trade of Germany which are of most interest to Canada.

TRADE BALANCE

The value of the imports and exports during 1925 are shown in the following table arranged according to leading classes of commodities:—

	Imports Reichsmarks	Exports Reichsmarks
Living animals.. . . .	122,022,000	15,256,000
Food and drink.. . . .	4,032,177,000	516,919,000
Raw materials and half finished goods.. . . .	6,268,981,000	1,640,407,000
Finished goods.. . . .	2,004,969,000	6,625,837,000
Total.. . . .	12,428,149,000	8,798,419,000
Coin and bullion.. . . .	718,110,000	39,564,000
Total.. . . .	13,146,259,000	8,837,983,000

1 Reichsmark = \$0.238.

The unfavourable balance of trade on the year's turnover works out at 4,308,276,000 reichsmarks or \$1,025,780,000. In 1924 total imports amounted to 9,316,841,000 reichsmarks and total exports to 6,566,834,000 reichsmarks. There has therefore been a considerable increase in both imports and exports as compared with the previous year.

The heavy unfavourable balance of trade has been the subject of adverse comment, especially in view of the obligations which Germany has incurred under the Dawes Plan, but it is probable that last year's excess of imports was fully covered by the investment of foreign capital in Germany, the earnings of German shipping and other "invisible" items.

The average monthly value of imports during the past year was 1,095,522,000 reichsmarks, as compared with 933,800,000 marks in 1913. On the other hand, the average monthly value of exports last year was 736,498,000 reichsmarks, as compared with 849,800,000 marks in 1913. On the whole the tendency during the past year has been for a steady increase in the monthly value of exports, which must be regarded as the most satisfactory feature of the German trade returns. On the basis of pre-war prices, however, German exports last year were only 65 per cent of the pre-war volume.

IMPORTS OF FOODSTUFFS

The German import trade in food products was influenced by the reimposition of the agricultural products duties on September 1. These duties are serving to restrict the importations of flour, bacon, canned meat, canned milk, and certain kinds of dried fruits, the figures for which show a decline in 1925 as compared with the previous year. On the other hand, the duties have stimulated the importation of grain, and there was a considerably larger import of wheat last year than in 1924. Other products which were imported in larger quantities than in the previous year were beef, pork, butter, cheese, eggs, and honey. The general tendency is for German food imports to approximate more nearly the pre-war trade. The chief factors contributing to this tendency have been the recovery of German agriculture, the increase in average purchasing power and the agricultural duties.

The following table summarizes the quantities of leading food products imported into Germany during the last two years as compared with 1913:—

German Food Imports

	1913	1924	1925
	Metric tons (2,204 lbs.)	Metric tons (2,204 lbs.)	Metric tons (2,204 lbs.)
Wheat	2,546,000	737,793	1,678,048
Wheat flour	17,900	567,202	393,582
Rye	352,500	515,063	360,764
Rye flour	1,000	61,859	15,638
Beef	30,300	83,952	154,251
Pork	21,100	38,235	74,795
Bacon	1,600	26,995	9,350
Other meats	14,200	6,588	1,203
Lard	107,400	133,018	101,988
Milk, fresh	77,200	50,391	55,815
Butter	54,200	53,477	96,613
Cheese	26,300	43,864	67,592
Eggs	166,800	79,337	143,351
Honey .. . . .	.....	2,670	4,483
Dried fruits .. . . .	.....	52,500	43,949
Fresh apples .. . . .	.....	246,026	186,838
Canned fish .. . . .	.....	10,051	11,638
Canned meat .. . . .	.....	23,530	12,573
Other canned goods, including canned milk .. . . .	.....	43,797	31,587

Of the total import last year of 393,382 tons of wheat flour, only 44,252 tons were imported after September 1, when the duty went into effect.

In order to arrive at a correct comparison of present imports of bread grains and flour with the pre-war period it is necessary to deduct from the above figures for 1913 an export of 538,300 tons of wheat, 194,800 tons of wheat flour, 934,500 tons of rye, and 225,100 tons of rye flour. In 1924 there was only a very small export of these products, but this year the pre-war system of granting duty free import licenses on the export of grain and flour was reintroduced on October 1. This system, being in effect a bounty on export, has encouraged the shipment of grain from Germany. Thus, the trade returns show an export last year of 211,803 tons of wheat, chiefly to Great Britain, Italy, and Holland; of 176,323 tons of rye, chiefly to Denmark and Holland; of 99,081 tons of wheat flour; and an export of 74,830 tons of rye flour. The great bulk of the export of wheat and rye occurred in the last three months of the year after the export bounties had been introduced. This phase of the German grain trade is of great significance to Canada. In order to replace the German grain shipped to other countries wheat and rye must be imported, and for this purpose the hard Canadian wheat is especially favoured.

IMPORTS OF FEEDING STUFFS

The revival of the German live stock industry led to further increased importations last year of various kinds of fodder, although the quantities received are still below the pre-war imports. The following table compares the imports of certain kinds of feeding stuffs into Germany for the last two years and 1913:—

	1913	1924	1925
	Metric tons	Metric tons	Metric tons
Barley	3,248,200	592,044	932,531
Oats	505,000	126,628	441,193
Corn	918,700	391,487	556,524
Mill offals, bran	1,414,300	47,141	163,591
Rice offals	206,500	17,976	55,965
Oil cakes	828,500	129,486	340,123
Fishmeal .. . . .	.....	26,992	45,728

IMPORTS OF RAW MATERIALS

The total imports of raw materials and half-manufactured goods last year amounted to 41,737,747 metric tons, as against 30,705,048 tons in 1924. The most significant increase was the importation of 11,540,010 tons of iron ore as compared with 3,076,181 tons in 1914. Imports of Newfoundland iron ore

amounted last year to 334,722 tons. The following table shows the imports of certain minerals and metals of interest to Canada during the last two years:—

	1924	1925
	Metric tons	Metric tons
Asbestos	6,711	12,161
Nickel ore	631	2,799
Raw nickel, refined	1,445	2,521
Aluminium	5,471	10,719
Copper ore	35,653	86,249
Raw copper	110,290	210,957
Zinc, raw	43,641	105,475
Lead, raw	52,160	137,745
Graphite	15,138	23,716
Mica, raw	589	1,242
Feldspar	26,255	40,414
Talc	9,645	15,815
Molybdenum and other miscellaneous ores	2,344	3,338

It will be noted that in the case of all of the above minerals and metals there was a considerably larger importation than in the previous year.

IMPORTS OF MANUFACTURED GOODS

The total value of the finished products imported into Germany in 1925 was 2,004,969,000 reichsmarks, as compared with 1,781,213,000 reichsmarks in 1924. The abolition of the system of import licenses on October 1 permitted a larger import of certain lines, although at the same time the new tariff introduced higher rates of duties in the case of many manufactured goods.

A total of 9,595 passenger motor cars of a value of \$13,530,000 were imported in 1925, as against 4,927 motor cars in the previous year. In 1925 there were also imported 29,414 motor car tire casings and 17,784 inner tubes for motor car tires, as compared with 8,044 casings and 5,788 inner tubes in 1924.

A total of 1,835 harvesting machines were imported into Germany last year of a total weight of 1,279 metric tons, as compared with 186 tons in 1924. Canada is given as the chief source of supply with 407 tons. In addition, 367 tons of sowing machines, hay presses, choppers, lawn mowers, and miscellaneous agricultural machines were imported last year, as compared with 101 tons in 1924.

IMPORTS FROM CANADA

The German trade returns for 1925 mention Canada as a source of supply for more items than in previous years, but the statistics are still not a reliable guide to imports into Germany from Canada for the reason that Canadian goods are often shipped to this country through ports in the United States and are credited to the latter country in the German returns. The following table shows the chief items of import from Canada during the year 1925 which are given in the German trade statistics:—

	Quantity Metric tons (2,204 lbs.)
Wheat	225,108
Oats	135,507
Rye	99,152
Barley	84,950
Wheat flour	24,131
Iron ore	18,758
Asbestos	4,825
Cheese	2,399
Soft wood	2,293
Butter	1,081
Raw lead	985
Canned milk	899
Raw copper	849
Raw zinc	646
Raw aluminium	541
Sausage casings	419
Harvesting machines	407
Pork, simply prepared	287
Raw nickel	221
Lard	83
White clover seeds	56

TARIFF CHANGES AND CUSTOMS REGULATIONS**Regulations Governing the Admission of Dutiable Commercial Travellers' Samples into the United Kingdom**

TRADE COMMISSIONER HARRISON WATSON

London, February 26, 1926.—The British Department of Customs has recently issued a revised memorandum consolidating the regulations which govern the admission into the United Kingdom of dutiable commercial travellers' samples and specimens.

This memorandum also sets forth the procedure which must be adopted in order to secure the refund of duty collected upon re-exportation of the samples.

In reproducing the principal regulations for the advantage of Canadian exporters, special attention is directed to the official attestation called for in paragraph 2.

As the proper observance of this stipulation would be the means of ensuring the owner of the samples against delays and inconvenience which might reasonably happen from any failure to carry out the instructions, it was felt to be in the interests of Canadian exporters to obtain a ruling from the British Department of Customs as to the identity of the "proper authority" in the case of Canada who is required to officially attest to the list (and statement where necessary).

The following decision has been received from the Board of Customs:—

Normally, the "proper authority in the country of exportation" mentioned in paragraph 2, would be the Customs Authority of the country of export. In the case, however, of samples brought from Canada, the Board would not in practice, take exception to certificates issued by recognized Chambers of Commerce or their Canadian equivalent, provided the officers of this Department were satisfied as to the *bona fides* of the certificates.

A—IMPORTATION DUTIABLE ARTICLES

1. Articles liable to customs duty (other than cinematograph films, motor cars, motor-car chassis and motor cycles) imported as commercial travellers' samples or specimens (whether or not accompanied by the commercial traveller) are temporarily admitted without payment of the duty to which the goods are liable subject to the amount thereof being deposited in cash or secured by bond before their delivery out of official charge.

[The privileged countries include all parts of the British Empire.]

2. The commercial traveller or his agent is required to produce a list containing a description, sufficiently full for identification purposes, of the samples or specimens imported and, in the case of goods liable to duty on an *ad valorem* basis, a statement of their value. The list (and statement where necessary) should be officially attested by the proper authority in the country of exportation;

If, on arrival of the samples or specimens, no list is available, one may be compiled at the port of importation, in which case documentary evidence of value must be produced for any of the samples or specimens which are liable to duty on an *ad valorem* basis.

3. Examination of the samples and specimens will be limited to ascertaining that they are fully described on the list and, in the case of goods chargeable on an *ad valorem* basis, that their value is correctly stated.

5. If the samples and specimens bear the marks, stamps or seals of the country of exportation, no additional marks or seals for purposes of identification will, as a rule be affixed by officers of Customs and Excise. If the samples or specimens bear no marks, stamps or seals, they may be marked or sealed for future identification.

6. The list of samples or specimens will be signed and dated by the officer of Customs and Excise, who will affix a statement bearing an official seal or stamp and showing:—

(a) the port of importation and the amount of duty chargeable; also whether duty was deposited in money or bond given;

(b) the marks, if any, applied by him to the samples or specimens;

(c) the date on which the duty deposited will be carried to the public account, or recovered under the security given unless it is proved that the samples or specimens have been previously exported or placed in bond. This date will be not later than twelve months from that upon which the samples or specimens were imported.

No charge is made for the document issued or certified by the officers or for marking for identification.

B—EXPORTATION OF IMPORTED SAMPLES

Samples and specimens of dutiable articles and of plate imported under the above regulations may be produced to the officers of Customs and Excise at any of the under-mentioned ports for examination prior to exportation therefrom, and to obtain refund of the deposit or release from the bond given on importation, subject to deduction in respect of any samples or specimens not produced for re-exportation. The list and statement referred to in paragraph 6 must be produced with the goods.

(Non-dutiable samples or specimens, other than plate, are not required to be produced on shipment).

Aberdeen	Grimsby	Newhaven
Belfast	Harwich	Newport (Mon.)
Bristol	Holyhead	Plymouth
Cardiff	Hull	Portsmouth
Dover	Inverness	Preston
Dundee	Ipswich	Southampton
Fishguard	Leith	Sunderland
Folkestone	Liverpool	Swansea
Glasgow	London	Weymouth
Goole	Manchester	
Greenock	Newcastle	

10. Prior to the re-exportation of goods chargeable to duty on an ad valorem basis and defaced cinematograph films, a declaration signed in the presence of an officer must be produced with the goods stating that they have not been used in Great Britain or Northern Ireland for any purpose other than as commercial travellers' samples or specimens, and that they are in all respects identical with the goods imported. In the case of cinematograph films the declaration must also state that the pictures have not been "duped" or reproduced in Great Britain or Northern Ireland.

C—SAMPLES RETAINED IN GREAT BRITAIN

11. If the samples or specimens of dutiable goods are not re-exported or placed in bond within the prescribed time (see paragraph 6 (c) the duty deposited will be brought to account or the bond put in force.

Argentina Decree Affecting Containers, etc., of Foodstuffs

Trade Commissioner E. L. McColl, Buenos Aires, has forwarded copy of an Argentine decree of January 30, 1925, relating to containers, utensils, etc., which come in contact with foods. The decree comes into force on March 30, 1926. Article 1 of the decree states that "the importation and circulation and trade in the federal territory and districts of vessels, containers, utensils and objects which are to be in contact with foods, condiments, or drinks; those employed in the cooking or preserving of same; kitchen table utensils in general; tubes, piping and meters for the transfer or bottling of liquids, except piping for drinking-water, will be subject to the requirements mentioned in these regulations."

A copy of the complete text of the regulations in question may be obtained by interested Canadian exporting firms on application to the Department of Trade and Commerce, Ottawa.

New Italian Duties on Sugar

Mr. Jean J. Guay, Assistant Canadian Government Trade Commissioner at Milan, on March 12, cabled: "Effective immediately duty on sugar first grade 24.75 lire gold per 100 kg. (220 pounds), second grade 16.50 lire gold per 100 kg." Gold lire equals 19.3 cents. According to the latest previous advice on this subject, the rates were 18 and 12 gold lire respectively.

Certain British Honduras Duties Increased

The British Honduras *Gazette* of February 20, 1926, publishes Ordinance No. 4 of 1926 altering customs duties on certain articles. Under the new

ordinance, silk and silk manufactures, including mixtures and imitation silk, are to be dutiable at 16 $\frac{2}{3}$ per cent ad valorem British preferential tariff, and 33 $\frac{1}{3}$ per cent ad valorem general tariff. In this category are included wearing apparel, haberdashery and millinery, and unspecified articles. Confectionery, jewellery, jellies, candied or crystallized fruits, unspecified jellies, and preserved fruits (excluding those canned or bottled), are all made dutiable at 15 per cent British preferential tariff, and 30 per cent general tariff. The former rates on all the foregoing articles were 10 per cent British preferential tariff, and 20 per cent general tariff. The duty on liquid perfumery, perfumed spirits (except bay rum) including dentrifices, toilet preparations and washes, have been increased from 20 per cent British preferential tariff and 30 per cent general tariff, to 25 per cent and 50 per cent respectively. The specific duty on cigarettes has been increased \$1 per 1,000, the rates now being \$4 per 1,000 and 25 per cent ad valorem British preferential tariff, and \$5 per 1,000 and 25 per cent ad valorem general tariff.

TENDERS INVITED

Australia

Copies of tender forms and specifications have been received from Trade Commissioner D. H. Ross, Melbourne, for material required by the Victorian Government Railways, Melbourne.

The tender forms and specifications are open to the inspection of interested Canadian manufacturers at the Department of Trade and Commerce, Ottawa (refer to file No. 29077).

Tenders in conformity to the specification should be promptly addressed to the Secretary, Victorian Government Railways, Melbourne, Australia.

Particulars of the requirements are briefly outlined thus:—

No.	Date of closing.	Particulars.
39060	April 28, 1926	Supply and delivery of automatic switching equipment to drawings and as specified.
39372	April 28, 1926	Supply and delivery of one cylinder grinding machine, including tools and accessories, as specified.
39383	May 19, 1926	Supply and delivery of one guillotine plate shearing machine and electrical equipment for same, as specified.
39384	May 19, 1926	Supply and delivery of one double wood surfacing machine, complete with all necessary equipment, as specified.

New Zealand

Copies of plans and specifications have been received from Mr. C. M. Croft, Canadian Government Trade Commissioner at Auckland, for the supply and erection at Hutt Valley, near Wellington, of eleven steel-framed buildings and three crane-gantries, the whole to be complete in every respect according to specification, conditions of contract and drawings.

The steel to be used in all the buildings must be mild steel made by the open-hearth process and must comply in detail with the requirements shown in the British Standard Specification for structural steel for bridges and general building construction, steel A, specification No. 15.

The erection of these shops also calls for the supply of other materials such as cement, sand and shingle for concrete, lumber and lumber roofing, eaves-troughs, roller-doors.

These specifications and plans are open for inspection at the Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa. Tenders, which close on August 31, 1926, should be addressed to the Railway Board, Railway Buildings, Wellington, in accordance with these specifications.

NEW SERVICE BETWEEN NORTH PACIFIC PORTS AND CUBA

A new service is about to be inaugurated from North Pacific ports to Cuba, with the m.s. *Finn*, which is expected to load in April, to be followed by the m.s. *Frost*, May loading. It is intended to call at the principal ports of Cuba—namely Havana, Cienfuegos, Santiago de Cuba, and Cardenas.

The service is to be known as the Cuban service of the General Steamship Corporation, for Svea & Company, of Stockholm. The Canadian agents are the Empire Shipping Company Limited, Vancouver, from whom further details may be obtained. Definite sailing dates will be announced from time to time in the *Commercial Intelligence Journal*.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING MARCH 15, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending March 15, 1926. Those for the week ending March 8, 1926, are also given for the sake of comparison.

			Week Ending March 8, 1926	Week Ending March 15, 1926
	Parity			
Britain£	1.00	\$4.84	\$4.8550	\$4.8556
Czecho-SlovakiaCrown	1.	.203	.0296	.0296
FranceFr.	1.	.193	.0361	.0361
ItalyLire	1.	.193	.0401	.0401
HollandFlorin	1.	.402	.4010	.4005
BelgiumFr.	1.	.193	.0454	.0425
SpainPes.	1.	.193	.1409	.1409
PortugalEsc.	1.	1.08	.0512	.0520
SwitzerlandFr.	1.	.193	.1925	.1925
GermanyReichs Mk.	1.	.238	.2382	.2382
GreeceDr.	1.	.193	.0143	.0142
NorwayKr.	1.	.268	.2135	.2168
SwedenKr.	1.	.268	.2682	.2680
DenmarkKr.	1.	.268	.2595	.2617
JapanYen	1.	.498	.4512	.4575
IndiaR.	1.	2s.	.3680	.3680
United States£	1.	\$1.00	1.0050	1.0037
Mexico£	1.	.498	.4855	.4865
ArgentinaPes.	1.	.424	.4037	.3925
BrazilMil.	1.	.324	.1475	.1450
RoumaniaLei	1.	.193	.....	.....
Jamaica£	1.	4.86	4.8775	4.8775
British Guiana£	1.	1.	1.0050—1.0175	1.0050—1.0175
Barbados£	1.	1.		
Trinidad£	1.	1.		
Dominica£	1.	1.		
St. Kitts£	1.	1.		
Grenada£	1.	1.		
St. Vincent£	1.	1.		
Tobago£	1.	1.		
Shanghai, ChinaTael	1.	.708	.7575	.7537
Batavia, JavaGuilder	1.	.402	.4030	.4030
PeruPound	1.	4.86½	3.8525	3.8775
Singapore, Straits Settlements . . £	1.	.567	.5725	.5725

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

244. POTATOES, CODFISH, ONIONS, CANNED GOODS.—A broker at Havana, Cuba, is desirous of representing Canadian exporters of these commodities.

245. FLOUR.—An importer at Santiago de Cuba is desirous of representing a Canadian mill, such representation to cover the provinces of Camaguay and Santiago.

246. HAY, OATS, FLOUR, POTATOES.—A broker in Havana is desirous of negotiating with Canadian firms in a position to ship these commodities.

247. OATS, HAY; CODFISH, ETC.; FLOUR, POTATOES, ONIONS.—A broker at Havana is desirous of communicating with Canadian firms.

248. FISH (SALTED), FLOUR, LUMBER.—A broker at Havana is desirous of negotiating with Canadian firms in a position to ship these commodities to Cuban market, and also to the island of Haiti.

249. CANNED SALMON, CANNED PROVISIONS.—A firm at Piræus, Greece, are desirous of communicating with Canadian exporters.

250. CANNED LOBSTERS, FRESH AND DRIED FRUITS, ETC.—An importing and agency firm in Stockholm, who already represent other Canadian shippers, are desirous of securing the agency of Canadian packers of lobsters of the first quality. They are also prepared to handle, either on a buying or agency basis, other Canadian provisions and also fresh and dried fruits.

Miscellaneous

251. FURS.—An established firm in Genoa would like to import furs from Canada.

252. HIDES AND SKINS.—Canadian firms interested in the exportation of hides and skins are requested to communicate with an established firm in Genoa.

253. WORKING MEN'S GLOVES.—An established Liverpool firm wish to import rough unlined muleskin working men's gloves. Samples and prices c.i.f. Liverpool are requested.

254. CLOTHES PEGS.—Samples of 4½-inch dolly clothes pegs, packed 5-gross boxes, with quotations c.i.f. Liverpool or Avonmouth, or preferably free delivered c.i.f. Birmingham, are requested by a Midland firm.

255. BROOM HANDLES.—A Birmingham wholesale house desires samples and quotations for broom handles in carload lots and less. Price to be c.i.f. Liverpool or Avonmouth in sterling, or preferably free d/d Birmingham. Standard sizes only.

256. RUBBER FOOTWEAR.—A Glasgow firm, already representing and getting good business for a Canadian firm of moccasin manufacturers, are anxious to secure representation in Scotland for a Canadian firm making rubber-soled shoes with canvas uppers. Would buy as merchants or act as commission agents.

257. SHOE NAILS, TACKS AND BRADS.—A London indent firm have an inquiry for shoe nails, tacks and brads for shipment to South Africa, and ask to be placed in touch with actual Canadian manufacturers who are in a position to quote for this business.

258. MATTRESS WIRE.—A Birmingham agent with long-established connections desires to represent a Canadian manufacturer of mattress wire in the Midland area.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From St. John

To LONDON.—Brecon, April 3; Bothwell, April 17—both Canadian Pacific; Canadian Raider, March 31; Canadian Rancher, April 14; Canadian Aviator, April 21—all C.G.M.M.; Verentia, Cunard Line, April 21.

To CARDIFF AND SWANSEA.—Canadian Commander, March 24; Canadian Victor, April 7; Canadian Leader, April 21—all C.G.M.M.

To LIVERPOOL.—Montnairn, March 26; Montrose, April 2; Montcalm, April 9; Montclare, April 16—all Canadian Pacific.

- To SOUTHAMPTON.—Minnedosa, April 1; Melita, April 15—both Canadian Pacific.
 To MANCHESTER.—Manchester Corporation, April 3; Manchester Brigade, April 17—both Manchester Liners.
 To GLASGOW.—Batsford, April 6; Bolingbroke, April 20—both Canadian Pacific; Gracia, March 23; Carnia, March 30; Concordia, April 17—all Anchor-Donaldson.
 To AVONMOUTH.—Parthenia, March 24; Concordia, April 17—both Anchor-Donaldson.
 To ANTWERP.—Canadian Raider, March 31; Canadian Rancher, April 14; Canadian Aviator, April 21—all C.G.M.M.; Minnedosa, April 1; Melita, April 15—both Canadian Pacific.
 To HAVRE.—Grey County, Intercontinental Transports, Ltd., March 22.
 To ROTTERDAM.—Grey County, Intercontinental Transports, Ltd., March 22.
 To HAMBURG.—Brandon, Canadian Pacific, April 7.
 To ITALIAN PORTS.—Valperga, Lloyd Mediterraneo Italian Service, March 25.
 To COPENHAGEN AND BALTIC PORTS.—Arkansas, Scandinavian-American Line, April 4.
 To ST. KITTS, ANTIGUA, MONTSEERRAT, DOMINICA, ST. LUCIA, ST. VINCENT, AND GRENADA.—Chaudiere, R.M.S.P. Co., March 28.
 To CUBA.—A steamer, H. E. Kane & Co., March 30.
 To SOUTH AMERICAN PORTS.—A steamer, Houston Line, March 25.
 To AUSTRALIAN AND NEW ZEALAND PORTS.—Benicia, New Zealand SS., April 20.

From Halifax

- To PLYMOUTH, CHERBOURG AND LONDON.—Ausonia, Cunard Line, March 22.
 To HULL.—Valemore, March 22; Wheatmore, April 5—both Furness, Withy.
 To LIVERPOOL.—Sachem, April 6; Newfoundland, April 20—both Furness, Withy; Regina, White Star-Dominion Line, April 4.
 To COBH (QUEENSTOWN).—Alaunia, Cunard Line, April 12.
 To MANCHESTER.—Manchester Division, March 22; Manchester Importer, March 30; Manchester Corporation, April 5—all Furness, Withy.
 To LONDON.—Valemore, March 22; Wheatmore, April 5—both Furness, Withy.
 To ST. JOHN'S, N.F.L.D.—Sachem, April 6; Newfoundland, April 20—both Furness, Withy; Skipper, April 2, April 16; Sable I., March 26, April 9—both Farquhar S.S.
 To BERMUDA, ST. KITTS, ANTIGUA, MONTSEERRAT, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Teviot, March 26; Chaudiere, April 9—both R.M.S.P. Co.
 To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Fisher, C.G.M.M., April 10.
 To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD, DEMERARA AND GUADELOUPE.—Canadian Volunteer, C.G.M.M., April 2.
 To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Carrier, C.G.M.M., April 16.
 To BARBADOS AND TRINIDAD.—Canadian Otter, March 26; Canadian Squatter, April 9—both C.G.M.M.
 To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, April 21.
 To SANTIAGO, KINGSTON AND MONTEGO.—Andalusia, Pickford & Black, April 7.
 To NEW ZEALAND PORTS.—Canadian Explorer, C.G.M.M., March 25.
 To AUSTRALIAN PORTS.—Canadian Britisher, C.G.M.M., April 3.

From Vancouver

- To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Asia, Canadian Pacific, April 3.
 To YOKOHAMA, KOBE, SHANGHAI, HONG KONG AND MANILA.—Empress of Canada, Canadian Pacific, April 17.
 To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Arizona Maru, Osaka Shosen Kaisha, April 2.
 To YOKOHAMA, KOBE, MOJI, DAIREN, TAKU AND SHANGHAI.—London Maru, Osaka Shosen Kaisha, April 12.
 To YOKOHAMA, KOBE AND HONG KONG.—Tyndareus, Blue Funnel, April 1.
 To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Niagara, Canadian-Australasian Line, April 7.
 To WEST COAST UNITED KINGDOM PORTS.—Canadian Freighter, C.G.M.M., April 10.
 To LONDON.—Canadian Seigneur, C.G.M.M., April 10; Isis, United American Line, April 2.
 To MANCHESTER.—London Merchant, Furness Line, April 9.
 To BORDEAUX, HAVRE AND ANTWERP.—La Marseillaise, March 30; Notre Dame de Fourviere, April 21—both Cie. Gle. Transatlantique (French Line).
 To HAMBURG AND BREMEN.—Isis, United American Line, April 2.
 To ANTWERP.—Isis, United American Line, April 2; Canadian Seigneur, C.G.M.M., April 10.
 To BARCELONA, MARSEILLES, GENOA, NAPLES AND TRIESTE.—Piave II, March 23; Cherca, April 15—both Navigazione Libera Trieste.
 To AUSTRALIAN AND NEW ZEALAND PORTS.—West Henshaw, Pacific-Australia Line, April 17.

LISTS OF ACTS ADMINISTERED AND PUBLICATIONS ISSUED BY THE DEPARTMENT OF TRADE AND COMMERCE

Applications for these Acts of Parliament and other publications in this list, together with remittances for the same, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution".

Copper Bars and Rods Bounty Act. Copyright Act.
Electricity and Fluid Exportation Act. Electricity Inspection Act.
Electric Units Act. Gas Inspection Act. Gold and Silver Marking Act.
Grain Act. Hemp Bounty Act. Inland Water Freight Rates Act.
Patent Act. Statistics Act. Trade Mark and Design Act.
Timber Marking Act. Inspection of Water Meters Act.
Weights and Measures Inspection Act.

MISCELLANEOUS

Annual Report of the Department of Trade and Commerce. (Price 10 cents.)
Annual Report of the Board of Grain Commissioners for Canada. (Price 25 cents.)
Annual Report of Weights and Measures, Electricity and Gas. (Price 10 cents.)
Canada-British West Indies-Bermuda-British Guiana-British Honduras Trade Agreement (1925). (Price 10 cents.)
Canada West Indies Conference (1920). (Price 25 cents.)
Canada-West Indies Conference Report, (1925). (Price \$1.)
Dominion Grain Research Laboratory (1920). (Price 10 cents.)
Electrical Standards and their application to Trade and Commerce.
Final Report of the Fuel Controller (1920).
Grain Inspection in Canada (1914). (Price 25 cents.)
Imperial Fruit Show (1923).
List of Licensed Elevators, etc. (Price 50 cents.)
Motion Pictures, Catalogue of. (Price 10 cents.)
Pan-Pacific Commercial Conference (1923). (Price 25 cents.)

PUBLICATIONS OF THE COMMERCIAL INTELLIGENCE SERVICE

NOTE.—Publications of the Commercial Intelligence Service are free to subscribers to the Commercial Intelligence Journal.

Commercial Intelligence Journal Weekly (In English and French), containing Reports of Trade Commissioners and other Commercial Information. Annual Subscription: In Canada, \$1; single copies, 5 cents. Outside Canada \$3.50; single copies, 10 cents.
Chinese Markets for Canadian Products (1919). (Price 25 cents.)
German War and its Relation to Canadian Trade (1914). (Price 25 cents.)
Indian Empire as a Market for Canadian Products (1922). (Price 25 cents.)
Markets of British Malaya (1923). (Price 25 cents.)
Markets of Jamaica and the Republic of Colombia, Venezuela and Panama (1922). (Price 25 cents.)
Packing for Overseas Markets (1922). (Price 25 cents.)
Preferential Tariffs of British West Indies (1922). (Price 25 cents.)
Report of Special Trade Commission to Great Britain, France and Italy. (French and English) 1916). (Price 25 cents.)
Representation in British and Foreign Markets (1923). (Price 25 cents.)
Republic of Chile: Its Economic Condition and Trading Opportunities (1923). (Price 25 cents.)
Republic of Peru: Its Development and Commercial Opportunities (1923). (Price 25 cents.)
Russian Trade (1916). (Price 25 cents.)
Trade after the War (1916). (Price 25 cents.)
Timber Import Trade of Australia (1917). (Price 25 cents.)
Trade between Canada and the British West India Colonies (1920). (Price 25 cents.)
Trade of the New Countries of Southeast Europe (1921). (Price 25 cents.)
Trading Opportunities in Scandinavia (1922). (Price 25 cents.)
Trading with Egypt (1921). (Price 25 cents.)
Trading with Greece (1921). (Price 25 cents.)
Trade with South China (1918). (Price 25 cents.)
Trading with Spain (1920). (Price 25 cents.)
Toy Making in Canada (1916). (Price 25 cents.)
West Africa and its Opportunities for Canadian Trade (1921). (Price 25 cents.)

PUBLICATIONS OF THE DOMINION BUREAU OF STATISTICS

The following is an abbreviated list of publications of the Bureau of Statistics.

Census of Canada.
Census of Prairie Provinces (1916).
Miscellaneous Statistics respecting the following: Criminal; Education; Finance (Provincial and Municipal); Transportation, including railways and tramways, express, telegraphs, telephones water, etc.; Production, including agriculture, furs, fisheries, forestry, mining and manufactures: Vital (annual and monthly).
Monthly Bulletin of Agricultural Statistics
Year Book of Canada.
Report of the Dominion Statistician, Annual.
Trade of Canada (Imports and Exports), Annual and Monthly.
Trade (Internal), including grain, live stock, coal prices, etc.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

James Cormack. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

P. W. Cook. Address for letters—P. O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300, Office—North China Daily News Building, 17 The Bund, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Gutrufhaus, Neuerwall 10, Hamburg 36. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czechoslovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watermill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230; office, Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

Netherlands East Indies

R. S. O'Meara, P. O. Box 84, Batavia, Java. (Territory covers Straits Settlements, British Borneo, Netherlands East Indies, and Siam.) *Cable Address, Canadian.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P. O. Box 683; Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia). *Cable Address, Sleighing, London.*

J. Forsyth Smith, Century Bldgs., 31 North John street, Liverpool. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales). *Cable Address, Cantracom.*

Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands). *Cable Address, Canadian.*

Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

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Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, March 27, 1926

No. 1156

TABLE OF CONTENTS

	Page		Page
Trade Commssioner A. B. Muddiman's Itinerary in Canada	393	Argentina's Imports of Manufactured Goods	409
Canadian Underwear Trade in West of England	394	Trade Conditions in Germany	413
Catalogues for Trade Commissioners' Offices	395	Results of Leipzig Fair	414
Summary of the Trade of Canada: Month, Eleven Months, and Twelve Months ending February, 1926	396	Canadian Exports to Belgium during 1925..	415
Commercial Conditions in the North of England	397	Foreign Trade of Belgium	416
Proposed Revision of British Merchandise Marks Act	400	Market in Holland for Cow Hair	417
Economic Conditions of South Africa in the New Year	401	Tariff Changes and Customs Regulations:	
Economic and Commercial Conditions in British West Indies	402	Certificates of Origin for United Kingdom	418
Cauton in Dealing with Unknown West Indian Firms	403	Fifty Per Cent Preference Conditions in New Zealand	418
Opportunities in the French West Indies ..	404	Legalization of Commercial Invoices for Brazil	418
Conditions in the United States..	406	Czecho-Slovak Duties on Wheat and Flour Re-imposed	419
United States Market Conditions for Flax Tow	407	Notice to Canadian Exporters Interested in the Markets of China	419
Economic and Financial Conditions in Brazil	407	India's Continued Prosperity	419
		Foreign Exchange Quotations for Week ending March 22..	420
		Trade Inquiries for Canadian Products ..	420
		Proposed Sailings from Canadian Ports ..	421
		List of Acts Administered and Publications Issued	423
		Commercial Intelligence Service	424

TRADE COMMISSIONER A. B. MUDDIMAN'S ITINERARY IN CANADA

Mr. A. B. Muddiman, formerly Canadian Trade Commissioner in Singapore, who is on his way to Rotterdam, to which post he is being transferred, has reached Ottawa, and is about to undertake a tour of Central Canada in the interests of Canadian trade to the Straits Settlements, Siam, and the Dutch East Indies, as well as to Holland. The following is the first part of his itinerary:—

Oshawa.. . . .	March 26
Toronto.. . . .	March 29 to April 10
Hamilton.. . . .	April 12-15
Brantford.. . . .	April 16
Guelph.. . . .	April 19
Kitchener.. . . .	April 20
Stratford.. . . .	April 21
Windsor.. . . .	April 22-24
London.. . . .	April 26
Montreal.. . . .	April 29 to May 13

Canadian firms who desire to be brought in touch with Mr. Muddiman or to interview him are requested to communicate with the Department of Trade and Commerce, Ottawa, in order that the necessary arrangements may be made.

The itinerary for other points in Quebec and the Maritime Provinces will be announced later.

CANADIAN UNDERWEAR TRADE IN WEST OF ENGLAND

TRADE COMMISSIONER DOUGLAS S. COLE

Bristol, March 9, 1926.—English wholesale houses are now placing orders for autumn delivery for heavier weights of underwear, including fleece-lined and merino. Canadian-made fleece-lined underwear is being well received in the trade in competition with English, United States, and German goods, and provided American prices can be met it is possible to develop considerable trade. The Bristol agent of one Canadian manufacturer has already booked orders in the West of England and in the Midlands and owing to a price concession is definitely competitive with best American makes.

WEIGHTS, TYPES, AND PRICES

Both men's and women's two-piece lines are in demand, with more sales reported in the former. The general trade tendency is towards thinner and wool underwear, yet among the working class population there is still a big demand for fleece-lined cotton underwear.

The thinnest and cheapest fleecy lines are English made which weigh about 5 pounds to the dozen and sell as low as 16s. (\$3.89) per dozen delivered. English lines do not compare in quality with United States and Canadian made fleecy underwear, aside from the weight factor, which generally controls prices.

The intermediate lines are German and the cheaper American makes. Samples have been seen of German garments at 24s. 6d. (\$5.95), and the pants of such garments were found to weigh about 8½ pounds per dozen. A cheap American garment is selling at 22s. (\$5.34) to 22s. 6d. (\$5.46) per dozen. Looking at it casually one has the impression of good thickness and heavy weight, but on examination it is found that the weight has been taken out of the fleeced backing of the shirt.

Canadian-made garments weigh from 10 to 10½ pounds to the dozen, with the pants somewhat lighter in weight than the shirt. One wholesaler stated an undesirable feature of the Canadian garment was the tendency to make the pants too light in weight. The difference between the upper and lower garments should not exceed 1 pound.

Last season the price for men's fleece-lined underwear, sizes 36 to 42 (weight 10½ pounds for size 40), was 29s. (\$7.05) to 30s. (\$7.29), but prices this year have dropped, following the decrease in the price of cotton. At time of writing such garments are priced at 27s. 6d. (\$6.68) free delivered warehouse. Certainly the prices asked in January by some Canadian manufacturers of 30s. (\$7.29) per dozen does not represent the drop in the price of cotton nor does it meet United States prices.

It may be added that in some cases it has been necessary to cut prices for large wholesale houses who buy in the vicinity of 2,000 to 5,000 dozen a season. Such price cuts are generally the result of cable agreements.

DETAILS AFFECTING SALES

In addition to the point raised concerning the Canadian-made fleecy pants being too light in weight, the writer has heard trade criticism that the shape of the Canadian-made pants is not altogether suitable. The pants are claimed to be made too narrow in the seat and leg for the average English type. Another point which should be noted is that the bottom of certain Canadian-made shirts are merely feather stitched on the raw edge of the material, while competitors are hemstitching with a ¾-inch hem.

The facing of the shirt front of some of the Canadian garments might be improved by using a darker colour to bring out a colour contrast with the rest of the garment.

WHOLESALESAERS' OWN TABS

Another excellent selling point is the agreement to put the wholesalers' own name tabs on the garments. This is insisted upon by some of the larger houses, and to the writer's knowledge one large order was cancelled owing to the Canadian manufacturer's refusal to comply with this desire. Naturally the branding of garments as their own is a strong selling point with the wholesaler, but it is quite appreciated that the Canadian manufacturer may not care to lose the advertisement of his own brand.

PACKING

Cardboard or box packing is preferred in every instance to the paper parcel. Men's fleecy-lined underwear usually comes in cases containing about 40 dozen, but they should not contain garments of all one size. There should be, for instance, one dozen size 34, two dozen size 36, two dozen size 38, and one dozen size 40 to each half gross, so that the case is composite. The individual parcel or box will, of course, be of one size.

KNICKERS

There is an excellent market for ladies' stockinette directoire knickers, and cheap merino underwear for men, women, and children. With regard to women's knickers, these are in two weights, fleece-lined and plain stockinette, without any backing but merely brushed to make soft. The fleece-lined are silver, medium and dark grey in colour, while the lighter-weight garment comes in about a dozen different colours, as saxe blue, brown, etc.

The price of the stockinette or single textile garment is 12s. 11d. (\$3.14) per dozen, and that of the fleece-lined 16s. 11d. (\$4.11) per dozen, both d/d warehouse. Canadian prices must come down to these figures to be competitive.

MANUFACTURERS AGENTS' METHOD OF BUSINESS

Agents generally have their goods invoiced direct to the wholesale house from the manufacturer, sales commissions being paid the agent at stated intervals.

Several manufacturers' agents in the Midlands have expressed their keenness to represent Canadian manufacturers of fleece-lined underwear, and certainly Canadian firms who can compete with American lines have the possibility of building up a substantial export trade. This office is in close touch not only with the West of England trade, but also with Canadian manufacturers of above lines on whose behalf samples and quotations have been placed before responsible agents in the area.

CATALOGUES FOR TRADE COMMISSIONERS' OFFICES

Canadian manufacturers and exporters are strongly urged to furnish the Trade Commissioners in the territories in which they are interested, or are likely to be interested, with a full range of their catalogues, price lists, discount sheets and (where possible) samples, together with c.i.f. quotations, or at least quotations Atlantic and Pacific ports. They should also place the Trade Commissioners on their permanent mailing lists to receive new copies of their catalogues as they appear. At least four copies of the catalogues and price lists should be forwarded. The Trade Commissioners in their correspondence frequently mention the great assistance it is to them in their work to have up-to-date catalogues on file in their offices, as these are frequently loaned to exporters. Up-to-date catalogues and price lists form a valuable aid to the Trade Commissioners in their efforts for the extension of Canadian export trade.

SUMMARY OF THE TRADE OF CANADA; MONTH, ELEVEN MONTHS, AND TWELVE MONTHS ENDING FEBRUARY, 1926

(Compiled by *External Trade Branch, Dominion Bureau of Statistics*)

Main Groups	Month of February, 1926			Eleven Months ending February, 1926			Twelve Months ending February, 1926		
	Total Imports	From United Kingdom		Total Imports	From United Kingdom		Total Imports	From United Kingdom	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Imports for Consumption</i>									
Agricultural and Vegetable Products.....	14,788,539	2,170,570	7,807,370	183,453,524	31,223,257	88,491,536	201,899,104	34,252,303	96,359,445
Animals and Animal Products.....	4,908,170	285,807	3,269,852	41,927,521	4,731,644	28,534,076	47,617,008	5,672,603	32,524,936
Fibres, Textiles and Textile Products.....	16,124,029	5,645,233	7,259,146	164,276,551	62,148,278	70,950,573	183,174,803	70,033,583	78,580,608
Wood, Wood Products and Paper.....	3,121,804	219,015	2,763,491	35,730,786	3,202,195	30,519,364	39,814,843	3,561,322	34,015,205
Iron and its Products.....	14,916,004	1,004,896	12,884,081	158,225,699	16,148,821	137,276,105	174,165,943	17,638,232	151,460,482
Non-Ferrous Metals and their Products.....	2,589,067	338,565	2,933,893	42,901,976	4,827,307	34,896,151	47,109,453	5,192,521	38,408,783
Non-Metallic Minerals and their Products.....	7,888,900	649,084	6,321,025	126,182,327	13,061,069	100,027,304	136,687,604	13,691,917	109,207,193
Chemicals and Allied Products.....	1,968,236	201,362	1,413,021	25,150,976	3,925,410	16,437,581	28,191,682	4,318,877	18,552,060
Miscellaneous Commodities.....	4,404,241	453,341	3,489,051	48,619,625	7,066,854	34,779,986	52,446,615	7,640,020	37,637,272
Total Imports, 1925.....	70,908,980	11,037,866	48,140,933	826,468,985	146,334,898	541,912,481	911,107,055	162,005,378	597,015,984
1926.....	67,429,913	12,181,802	39,551,086	712,294,467	135,412,466	454,676,506	799,248,046	149,208,817	515,497,099
1924.....	62,133,882	10,586,088	41,569,721	806,413,288	139,790,339	540,435,854	898,338,916	155,153,846	603,703,614
<i>Exports (Canadian Produce)</i>									
Agricultural and Vegetable Products.....	37,389,028	18,610,902	3,445,872	560,197,325	338,081,572	60,716,143	589,940,575	350,899,368	63,549,695
Animals and Animal Products.....	10,925,258	4,680,443	2,591,096	177,925,078	93,224,914	58,194,162	191,837,417	98,993,729	64,006,275
Fibres, Textiles and Textile Products.....	21,422,426	54,577	239,350	8,229,808	1,165,563	4,413,457	9,095,994	1,457,781	4,721,979
Wood, Wood Products and Paper.....	684,739	682,004	18,769,748	280,806,897	18,133,659	213,786,634	277,354,763	19,384,269	236,882,051
Iron and its Products.....	7,180,477	548,907	1,317	65,851,697	7,627,900	6,585,868	72,855,942	8,092,167	7,225,561
Non-Ferrous Metals and their Products.....	6,146,510	695,000	3,328,745	87,208,824	13,682,354	54,200,246	98,510,022	15,532,646	61,163,220
Non-Metallic Minerals and their Products.....	1,610,738	785,603	1,322,743	22,491,955	1,022,021	15,670,566	24,592,257	1,216,047	17,185,085
Chemicals and Allied Products.....	1,487,082	126,335	907,460	15,631,178	3,033,464	8,144,881	17,514,770	3,454,649	9,085,509
Miscellaneous Commodities.....	866,889	135,036	566,497	14,603,119	2,775,494	9,458,945	16,072,943	3,370,774	10,160,069
Totals, 1925.....	87,512,147	25,620,907	33,402,856	1,202,098,881	478,706,941	431,170,902	1,287,744,683	502,232,030	473,980,047
1926.....	70,126,125	20,448,244	32,155,814	974,251,561	372,418,344	374,607,999	1,066,681,325	383,923,201	418,103,775
1924.....	67,274,543	15,088,768	30,627,417	952,921,282	338,582,925	387,211,768	1,029,478,881	355,802,077	426,140,086
<i>Exports (Foreign Produce)</i>									
Totals, 1926.....	1,206,393	86,217	1,122,921	11,642,447	916,748	9,523,827	12,714,781	1,083,847	10,351,424
1925.....	1,038,302	93,076	1,887,949	11,251,966	1,157,516	8,939,902	12,407,484	1,286,551	9,872,750
1924.....	1,087,234	78,304	931,793	12,226,713	1,023,985	10,002,517	13,455,789	1,093,696	11,002,703
<i>Excess of Imports (i) or All Exports (e)</i>									
1926.....	(17,809,560)	(14,669,348)	(3,615,156)	(e) 388,102,343	(e) 333,388,791	(i) 101,217,752	(e) 389,352,409	(e) 341,309,499	(i) 112,684,513
1925.....	(9,734,514)	(8,359,518)	(6,509,923)	(e) 273,170,040	(e) 288,168,394	(i) 71,128,005	(e) 279,840,763	(e) 245,950,935	(i) 87,520,574
1924.....	(e) 6,197,895	(e) 4,580,984	(i) 10,410,511	(e) 158,734,707	(e) 199,786,371	(i) 143,221,059	(e) 144,595,754	(e) 201,741,927	(i) 166,560,225

COMMERCIAL CONDITIONS IN NORTH OF ENGLAND

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, March 6, 1926.—*Timber*.—Although stocks of New Brunswick and Nova Scotia spruce deals have been kept within reasonable levels, competition from Russia, Poland, and Roumania has made business very difficult. Polish deal sizes almost in any specification have been offered at £14 10s. per standard c.i.f. Liverpool, and Roumanian as low as £14. The bulk of the stock lists recently issued by the Russia Wood Agency of goods from Archangel was sold very quickly at the prices quoted. Liverpool brokers have lately been doing a fair trade in merchantable Nova Scotian and Quebec birch culls for other ports. Recent quotations on birch planks in liner lots have been around £16 per standard c.i.f. Liverpool.

There has been a fair demand for Douglas fir, but shippers' quotations continue to be widely varied. Recent offers were quoted at £22 10s. c.i.f. Liverpool for No. 2 clear and better. Merchantable grade Douglas fir planks have been around £16 10s. Sitka spruce has been selling in clears for the piano trade, but business in aeroplane wood has been dull. For the month ending February 28, 1926, unofficial statistics of certain timber imports, consumption and stock are given in comparison with the corresponding period of 1924 and 1925 as follows:—

	Import		LIVERPOOL Consumption				Stock	
	1925	1926	1924	1925	1926	1924	1925	1926
British Columbia and Oregon pine.. . . . cu. ft.	35,000	22,000	37,000	41,000	72,000	92,000	185,000	179,000
Birch logs cu. ft.	39,000	....	6,000	13,000	11,000	14,000	39,000	34,000
Birch planks cu. ft.	44,000	23,000	18,000	45,000	51,000	24,000	134,000	166,000
Quebec yellow pine deals stds.	20	60	550	590	390	3,760	4,040	5,280
Quebec red stds.	....	10	60	50	20	770	1,160	1,560
Quebec spruce stds.	....	....	130	180	....	2,430	1,690	2,540
N.B. and N.S. spruce and N.B. and N.S. pine..stds.	350	2,640	920	1,050	1,430	2,930	4,630	5,960

	Import		MANCHESTER Consumption				Stock	
	1925	1926	1924	1925	1926	1924	1925	1926
Quebec board pine cu. ft.	....	....	1,000	7,000	....	87,000	72,000	145,000
British Columbia and Oregon pine cu. ft.	4,000	13,000	11,000	18,000	33,000	46,000	74,000	74,000
Birch logs cu. ft.	....	....	....	....	1,000	....	....	7,000
Birch planks cu. ft.	21,000	....	11,000	6,000	8,000	60,000	69,000	128,000
Spruce deals stds.	250	60	980	730	660	8,040	6,070	2,660

Grain and Flour.—Early in February imported wheat was in more active demand, but millers held off the market as reserves were sufficient for current requirements, and at the close of the month the market was very quiet. Business in cargoes during the past few weeks again shows a reduction. Sales of c.i.f. parcels during February were 16 per cent in excess of the previous month, but much below the average for last year. Of the total c.i.f. business transacted, Liverpool claimed 20.4 per cent, Manchester 10 per cent, and Hull 7 per cent.

Sales of flour during February were again disappointing. The course of the market during the past two months has done much to increase the belief in flour trade circles that wheat and flour are too dear at the existing level of prices. One important Liverpool merchant who deals extensively in Canadian flour attributes the present lack of demand partly to the plentiful crop of potatoes in this country and Ireland, which is being offered at quite low prices. Competition among home millers continues very keen and several mills in this district were by agreement temporarily shut down during February. It is reported that millers are holding excessive stocks of mill offals.

Imported flour of practically all classes has been neglected. Business in Canadian grades has been in limited lots only, and American mills have been outside the market. The demand for Australian flour for blending purposes,

which has existed during recent months, has fallen off. Average quotations on this market at the close of February were as follows: Home milled straight run, 44s. to 45s. 6d. per 280 lbs. ex mill; Canadian export patents, 42s. 6d. c.i.f.; Australian practically nominal except for a few odd lots cleared at about 43s. The preliminary figures showing the imports of grain and flour to this area for the month of February 1926, are as follows:—

	Wheat Quarters	Flour Sacks	Maize Quarters	Barley Quarters	Oats Quarters
Liverpool.. . . .	250,254	19,714	212,760	2,432	11,501
Hull.. . . .	165,015	370	146,398	27,301	3,213
Manchester.. . . .	134,355	2,990	39,400	1,293	3,400
Newcastle.. . . .	37,179	2,507	18,345	27	....

Butter.—The increase in the German tariff has continued to interfere with Denmark's butter trade to that country, with the result that additional supplies have been diverted to this market. The North of England generally is very favourably disposed to cask butter, and in addition to Denmark, other Baltic shippers, notably Sweden, have been enjoying a good demand in this district during the past month at the expense of Australian and New Zealand boxed butters. Danish butter which opened the month at from 190s. to 192s. closed at around 206s. to 208s. Swedish butter sold at 181s. to 183s. on spot, at the close. New Zealand quotations dropped around 4s. during the month, closing at from 176s. to 178s. Australian offers at the end of February were 168s. to 170s. Canadian butter was nominal except for a few odd lots which were disposed of at around 166s. on spot.

Cheese.—There has been a fair trade done in cheese during the past month. Most of the Canadian cheese remaining on this market is composed of late makes, and sales of this grade are difficult against the more mature New Zealand cheese now available. A few sales of Canadian coloured October makes were reported from 104s. to 106s., with late makes bringing 102s. White Canadian cheese, which is not as popular as coloured in the northern districts (with the important exception of Manchester where white is preferred), brought from 2 to 3 shillings less. New Zealand coloured varieties closed the month at 104s. to 106s. and whites 102s. to 103s.

Bacon.—There was a slow trade in practically all descriptions of bacon during February. American varieties have been offered more freely, but demand has been dull. Quotations at the end of February were as follows: Canadian Wiltshire cuts 50-80 lb. average 98s. to 109s. per cwt.; American Cumberlands 24 lb. to 32 lb. average, 100s. to 102s.; American Wiltshire 50 to 65 lb. average 98s. to 100s.; Irish, 120s. to 134s.; Danish, 118s. to 120s.

The following are unofficial estimates of the stocks of provisions in the port of Liverpool on February 28, 1926, in comparison with January 30, 1926, and February 28, 1925:—

	February 28, 1926	January 30, 1926	February 28, 1925
Bacon.. . . .Boxes	13,062	7,001	12,561
Hams .. . . .Boxes	5,133	3,614	9,337
Shoulders .. . . .Boxes	927	535	2,726
Butter (all countries) .. . . .Cwts.	5,944	7,881	3,206
Cheese (full shapes), Canadian and United States .. . . .Boxes	14,651	19,653	5,362
Cheese (full shapes), Australian and New Zealand.. . . .Crates	1,603	568	1,568
Cheese (full shapes), (50 pounds and under) .. . . .Boxes	90	50	12
Cheese (manufactured) .. . . .Pounds	4,945	2,215	....
Lard (prime steam western) .. . . .Tierces	760	338	1,045
Lard (imported pure refined lard) in tierces, firkins, or other packages.. . . .Tons	763	1,077	1,240

Eggs.—At the beginning of February the demand for fresh eggs was greater than available supplies and higher prices for Irish and Danish varieties held till around the middle of the month. Since then mild open weather has resulted in increased production, and by the close of the month Irish fresh eggs were

being sold at 16s. to 17s. Imported eggs, such as Egyptian and Chinese, have maintained fairly steady prices during the month, the latter selling at from 9s. to 14s., according to size. Several consignments of American storage eggs have arrived lately, realizing from 12s. to 13s.

Hay.—Over 7,000 bales of Canadian hay arrived at Liverpool during the past month. Market conditions have undergone very little change over the previous four weeks, and average c.i.f. prices for Canadian shipments have been in the neighbourhood of 95s. to 97s. 6d. per ton. Offers of Norwegian hay have been received at Liverpool lately, but have not been competitive. Newcastle dealers, however, state that prices for the Baltic product preclude business in Canadian hay at present.

Cattle.—During February 2,705 stores and 1,548 fat cattle arrived at Birkenhead from Canada. Recent average prices have been as follows: native steers and heifers, 9½d. to 9¾d. per pound, sinking the offal; western steers, 8¾d. to 9d.; cows, 6¾d. to 7½d.; and bulls, 5½d. to 6½d.

At Manchester 183 stores and 544 fat Canadian cattle arrived during the month. The few store cattle arrivals had of necessity to be dealt with for immediate slaughter owing to the continued embargo in force at this port under the foot and mouth disease regulations. An improvement is reported as regards the proportion of female cattle arriving in calf, the percentage of which has been reduced.

DIRECT SHIPMENT TO MANCHESTER

On his recent address to the members of the Manchester Chamber of Commerce, the retiring president emphasized the need for attracting more direct trade to Manchester. The provision for increased direct steamship facilities to this port has occupied the minds of many of Manchester's industrial leaders for several years past. The seaborne traffic for 1925, aggregating 5,622,405 tons, was a record, the nearest approach being in 1913, when the total was 5,457,218 tons. At the same time progress has been slow, and the response to the facilities offered by the Ship Canal seems to have come more readily from the ship owners than from the merchants.

Although apples, cattle, timber, etc., are regularly imported into Manchester direct from Canada, a number of commodities which might well be imported direct are mainly received through other ports.

The majority of Canadian firms carrying on an export trade in provisions to this country are represented in Liverpool, but comparatively few have established direct connections in the Manchester market. There are several important Manchester provisions firms who have expressed a desire to do a direct business with Canada, but in the absence of any special interest on the part of Canadian exporters no substantial progress has so far been made. In view of the densely populated industrial area served by Manchester and the obvious advantage of direct dealings, it should be worth while for Canadian firms to consider developing their connections in this field. Any interested exporters are invited to communicate with this office.

INDUSTRIAL CONDITIONS

The serious depression in the American section of the cotton spinning industry continues. On the other hand, mills turning out the finer quality yarns have been fairly well employed and current business in cotton goods shows some slight expansion. An important recent development has been the increased demand from India for printing cloth.

It is not possible to report any marked improvement in the Bradford wool textile industry as yet, although the position is somewhat improved over a few weeks ago. Manufacturers are adopting a very conservative buying policy resulting from the severe losses incurred last year from the fluctuating values of raw materials. The cross-bred section of this industry, which depends to a

considerable extent on the demand from Germany, is depressed owing to the present financial stringency that is holding back German purchases, and there seems little hope for an early revival in this trade.

The recently issued annual report of the Bradford Dyers' Association states that the return on capital employed in the association for the year 1925 amounted to 6.2 per cent, as compared with 9.9 per cent for 1924 and 11.3 per cent for 1923, thereby reflecting the lean times experienced in the textile trades of this district.

The active buying of the past month in the iron and steel trades has been followed by a lull which is believed to be seasonal and a satisfactory spring trade is confidently expected. While pig-iron is still scarce, the shortage is not quite so acute.

Conditions in the Sheffield lighter trades do not show much improvement. There are indications, however, that the export trade of this district is improving.

The slow improvement in the engineering trades has been maintained and unemployment figures have decreased. Although other sections have reported new orders, the northeast coast shipyards remain idle.

PROPOSED REVISION OF BRITISH MERCHANDISE MARKS ACT

TRADE COMMISSIONER HARRISON WATSON.

London, March 4, 1926.—The British Government has issued to-day the bill which they will introduce into Parliament for the revision of the Merchandise Marks Act.

It is now several years since the committee appointed for that purpose by the Government then in power investigated the working of the original act.

The purport of the old act was to enforce the marking with an indication of country of origin of imported goods, in cases where fraud or misapprehension might result in the absence of such marking.

A chief recommendation made by the aforesaid committee was that existing regulations should be supplemented by legislation enabling the Government to issue an order for the branding, with the name of the country of origin, of specific imported goods, in cases where this action was decided to be in the interests of the trade of the United Kingdom.

The new Government bill seeks power to adopt this recommendation, and, moreover, covers what were formerly two separate measures; the revision of the original Merchandise Marks Act, and a bill necessitating the marking of agricultural products only, which has already been debated in Parliament upon several occasions.

In order to deal with the new principle of special branding, the new bill provides for the appointment of two standing committees for the purpose of receiving and considering applications made by firms and persons in the United Kingdom for the compulsory marking of particular imported articles; and otherwise to deal with the matter. Each committee is to consist of not less than three, and not more than five, persons.

One of these bodies, described in the bill as the "Agricultural Produce Committee," is to be charged with inquiries relating to agricultural and horticultural produce, and the produce of any fishing industry, and the other committee is to deal with inquiries relating to goods of any other kind.

Such overseas commodities as the committees decide, after full inquiry and the taking of evidence, are to be marked before importation into this country is allowed will be recommended by them for inclusion in the schedule which the Department of the Board of Trade will prepare for that purpose.

The feature of the bill of the greatest importance from a Canadian and Imperial point of view is that the branding to be adopted distinguishes between the products of the Empire and of foreign countries.

As will be observed from the following reproduction of the wording of the actual proposals regarding indication of origin, it is left to the option of the overseas exporter to indicate the actual country of manufacture or production as an alternative to the description "Foreign" and "Empire":—

"Indication of origin" means, at the option of the person applying the indication, either:—

(a) in the case of goods manufactured or produced in any foreign country, the words "foreign manufacture" or "foreign produce," and in the case of goods manufactured or produced in a part of His Majesty's dominions outside the United Kingdom, the words "Empire manufacture" or "Empire produce"; or

(b) a definite indication of the country in which the goods were manufactured or produced;

the indication being given, in either case, in a conspicuous form.

The new legislation applies to England, Wales, Scotland, and Northern Ireland, and all questions regarding the marking of imported composite or assembled goods are also left to the decision of the committees.

ECONOMIC CONDITION OF SOUTH AFRICA IN THE NEW YEAR

TRADE COMMISSIONER G. R. STEVENS

Cape Town, February 12, 1926.—The new business year has opened in an atmosphere of restrained optimism. Recent returns for 1925 show steadily improving business indications, and the belief is prevalent that conditions in Great Britain, the principal market of South Africa, have definitely improved. Some concern is felt, however, from the knowledge that South Africa has already had three good years in succession and from the fact that the outlook for the present year, in an agricultural sense at least, is not too promising. In one particular, cause for anxiety is assured: this is in relation to the maize crop, which in 1925 reached a record figure. Exports ran well over 10,000,000 bags, and the total production to over 24,000,000 bags, but owing to drought and pests it seems improbable that there will be any particular surplus for export during the ensuing season.

A secondary and less warranted cause for concern arises from rumours of the entry of Argentine fruit into Great Britain, and plans for a concerted campaign to capture that market. There is no definite evidence at present to prove that South Africa will be an immediate sufferer from this new competition, but the South African monopoly of the English market on winter fruit has never been challenged to date, and growers are apprehensive as to the results of such challenge.

At the end of January the drought had broken in many districts, and while the rains were too late to benefit maize, yet on the whole agricultural prospects would appear to be favourable.

The annual statement of the Transvaal gold mines for 1925 has just been issued, and the chief statistics are as follows:—

	1924	1925
Average number of native labourers employed.. . . .	176,709	172,664
Total of ore mined.. . . .	28,581,930 tons	28,682,238 tons
Gold produced.. . . .	9,597,634 fine oz.	9,599,702 fine oz.
Value of gold produced at standard price.. . . .	£40,768,158	£40,776,942
Estimated additional value due to premium.. . . .	3,813,739	Nil
Estimated gross value of gold.. . . .	44,581,897	40,776,942
Less realization charges (est.).. . . .	1,716,552	542,677
Working revenue.. . . .	42,865,345	40,234,265
Less working costs.. . . .	28,214,509	27,668,373
Working profit.. . . .	14,650,836	12,565,892

This is not regarded as an unfavourable return in view of the difficulties which the mining industry had encountered during the year under review. The entire falling off in profits is more than accounted for by the loss in gold premium through Great Britain's return to the gold standard.

The results of the January wool sales have not yet come to hand, but apparently prices, although down anywhere between 10 per cent and 15 per cent, are still profitable.

South Africa during the past few months has been feeling a fairly good demand from the United States in hides and skins and base metals. Excellent return cargoes have been booked by American lines.

The base metal industry appears to be steadily progressing, and in time will be a source of very considerable revenue to South Africa. On the other hand, the Natal coal operators take a gloomy view of the export situation. They state that they are losing the Indian market, such loss being particularly due to anti-South African propaganda, on account of the Asiatic measures at present before the South African House, and particularly due to the failure of the South African railways to grant a better rate to the coast upon coal cargoes.

ECONOMIC AND COMMERCIAL CONDITIONS IN THE BRITISH WEST INDIES

TRADE COMMISSIONER H. R. POUSSETTE

Port of Spain, Trinidad, March 6, 1926.—The commercial conditions in Trinidad are somewhat depressed, owing to the prospects for an under-average crop of cocoa, and the comparatively low price which is being paid for it. This product is now being quoted at about \$11 per fanega (1.60 bushels). In Grenada also the crop promises to be a short one. Fortunately, however, for the latter colony, the prices of nutmegs and mace are holding up well, the former fetching about 2s. per pound and the latter about 4s. per pound. Probably in the Eastern Group of the British West Indies, Grenada is the most fortunate of all the colonies owing largely to the nutmegs and mace which the island produces.

Another industry that may advance the fortunes of Grenada is that of whaling. A factory was established on an island just outside of St. George's about two years ago. Operations began last year, but owing to defects in machinery, the fullest results were not obtained. With the installation of new equipment during the present year, it is hoped that if the company is fortunate in its catch of whales, the output will be comparatively large and valuable.

SUGAR

The low prices that are being obtained for sugar continue to have a depressing effect on the sugar-producing colonies, particularly in British Guiana. In Trinidad the ravages of the froghopper would not appear to have been quite so severe as was at first anticipated. The 1926 crop in that colony is estimated to produce about 55,000 tons as against 70,000 tons in 1925. British Guiana is suffering from drought, which is delaying grinding operations owing to shortage of water.

COCOANUTS AND COPRA

The prices for these commodities are satisfactory and the colonies producing them benefit accordingly. In Trinidad the production of cocoanuts is steadily

increasing—which is fortunate, as this factor helps to offset the lower production and low price of cocoa.

In Trinidad also hopes are being based on the prospects for production of coffee. This is increasing in a satisfactory way and it is believed that in time coffee will take an important place among the products of the island.

RICE

The production of rice in British Guiana comes next in importance to sugar. The crop is now almost over and for the year just closed the estimated production was 450,000 tons. While this amount is some 50,000 tons in excess of the previous year's crop, it has to be borne in mind that the acreage is larger. The yield per acre during 1925 will prove to be somewhat lower than in 1924 due to the severe drought that was experienced.

Speaking generally, conditions in the Eastern Group of the British West Indies are dull and with no immediate prospects of betterment. This may have the effect of compelling more attention to the question of diversity of crops. If that can be brought about in the end, the present dullness will prove more of a blessing than a misfortune.

CAUTION IN DEALING WITH UNKNOWN WEST INDIAN FIRMS

TRADE COMMISSIONER H. R. POUSSETTE

Port of Spain, Trinidad, March 6, 1926.—In a report published in the *Commercial Intelligence Journal* for January 24, 1925 (No. 1095), exporters were cautioned against dealing with West Indian firms whose financial position was unknown to them. In spite of this some shippers have dealt with disreputable firms with the consequence that they have incurred losses which have been entirely unnecessary. So serious has the evil become, however, that the Chamber of Commerce of Georgetown, British Guiana, have considered it advisable to issue a circular letter, the contents of which are given below:—

"It having been brought to the notice of the Chamber of Commerce that certain local individuals and firms are making a practice of ordering goods for which they are unable to pay, with the result that if delivery is obtained the sellers lose their goods, and if delivery is not obtained the goods have to be reshipped, the chamber considers it necessary to warn manufacturers and others that they will be incurring grave risks in making shipments to parties with whom they have had no previous dealings, without first obtaining a satisfactory banker's report on them.

"Reports can be obtained through shippers' bankers from the branches and correspondents of Barclays Bank (Dominion, Colonial and Overseas) and the Royal Bank of Canada. Inquiries from the London or the New York offices of either bank, or Montreal branch of the Royal Bank of Canada, or the Bank of Montreal, may possibly result in a saving of time.

"The chamber desires particularly to warn parties against applications for a range of samples with a view to large future dealings; and would emphasize the fact that a mere reference to a particular bank or a request that drafts be drawn through a particular bank is no guarantee of respectability, as the reference is frequently unauthorized.

"The chamber is issuing this circular in the hope of protecting shippers in your district from unnecessary loss, and will appreciate your co-operation in communicating its contents as widely as possible."

As it is a simple matter to obtain a report on any firm in the British West Indies, it is hard to understand how Canadian firms can be so careless as to ship goods to people about whom they know absolutely nothing.

OPPORTUNITIES IN THE FRENCH WEST INDIES

TRADE COMMISSIONER H. R. POUSSETTE

Port-of-Spain, Trinidad, March 6, 1926.—The French West Indies, which comprise the islands of Martinique and Guadeloupe, offer restricted markets to Canadian goods. Owing to the high tariff which favours French manufacturers and the low rate of exchange, it is very difficult for Canadian products to enter these islands, except where they do not conflict with products from France.

Douglas fir and flour are practically the only two products which at the present time offer substantial opportunities to Canadian exporters. Heretofore Martinique and Guadeloupe have purchased all their lumber requirements from the Southern States. However, it now seems reasonable to believe that Douglas fir will be able to compete with this United States lumber. Some small trial shipments are on their way from Seattle, which if they turn out satisfactorily should open the way to a profitable trade. Although the first advantage may be with the United States mills, Canadian shippers with enterprise and energy should be able to secure a fair share of the business. According to the reports of dealers, the two islands consume in the course of a year from 6,000,000 to 8,000,000 feet of lumber. A small amount of white pine and spruce is imported from Canada, but the quantities are almost negligible. The competition will lie between pitch pine and Douglas fir, and probably the next twelve months will decide which is to have the advantage.

Connections with British Columbia.—The Compagnie Générale Transatlantique provide direct communication between Vancouver, Victoria and the French West Indies, but unfortunately the rates are high. Douglas fir consigned to the islands of Martinique or Guadeloupe has to pay a rate of \$25.50 per 1,000 feet as compared with \$15 to Trinidad by the Pacific Argentine and Brazil Line. It is difficult to understand why there should be such a differential between the rates to Martinique and to Trinidad. Another apparent anomaly is that Martinique and Guadeloupe pay the same rates as Georgetown, Bridgetown and several other ports, where it is necessary to tranship the cargo. In order that Douglas fir may compete with pitch pine from the Southern States, it is necessary that the shipping rates shall be such as to permit of competitive c.i.f. quotations.

FLOUR

Until comparatively recently United States mills have had the flour markets of Guadeloupe and Martinique more or less in their own hands, except for a little competition from France. Canadian mills are now strongly competing and appear to have secured at least 50 per cent of the trade.

The bakers in the French West Indies, like their colleagues in the British West Indies, are crude in methods of baking and desire a flour that can be worked up with the least trouble. With this in view, most of the bakers in Martinique use a blend of one part of hard to two parts of soft wheat flour; which in their opinion best serves their purpose. The bread from this combination can hardly be described as first class, but apparently it suits the popular taste. From the Canadian point of view, this bread would be considered stodgy, but the dealers say that if it be too light the people will not buy it. They want a white loaf with a golden crust, and with a crumb that has a fair amount of body to it. Three batches are made from the one oven heating; the consequence of this is said to be that for the first batch the oven is too hot, for the second it is satisfactory, and for the third it is not sufficiently hot. Bakers do not use yeast, but sour dough. They know nothing of the finer qualities of flour and apparently are not interested as to its gluten contents. It may be that in time the demand will be for a higher quality of bread, but there appears to be no indication of that at the present time.

Direct steamer accommodation has been of great assistance in developing the sale of Canadian flour in the French West Indies. The boats of the Canadian Government Merchant Marine not only call at Fort-de-France in Martinique, but for a minimum cargo which is not excessive they will also call at other and smaller port in the island. This is an appreciable advantage.

The imports of flour into Martinique in the course of a month amount to approximately 60,000 or 70,000 bags, while the imports into Gaudeloupe are somewhat less. Such vegetables as breadfruit, bananas and the like, form staple articles of diet of the poorer classes, and when plentiful they are used mixed with a little fish or pork to the exclusion of wheaten bread. The consumption of flour is thus much restricted. The wages of labourers are very low, and consequently they are not able to indulge in such a luxury as wheaten bread would be to them.

Although French flour enjoys a substantial preference and should be able to compete strongly, apparently it is not popular owing to the quality not being strictly uniform. One dealer stated that due to this defect he had lost a considerable sum of money on a fairly large shipment which he had imported, much of it having to be sold at a loss.

PICKLED AND SMOKED MEATS

Pickled meats are imported from the United States, but not in large quantities. Canadian packers do not appear to have shown any interest in this market, but it might be worth their while to study the conditions with a view to exporting pickled pork products. Of these, snouts and fat backs are in demand. There is a small sale for picnic and York hams.

Lard compound is imported from France; the heavy tariff favours the French article to the exclusion of the others. Due to the ample local supplies of fresh milk there is little call for it in a condensed form.

FISH

Occasionally when the market is bare, Newfoundland dried cod and some herring are imported from Barbados. Usually cod fish—the product of St. Pierre and Miquelon—is imported from Bordeaux. Owing to its price this fish easily competes with the product of Newfoundland, and it is only as stated above when the market is bare that the Newfoundland fish can compete. The prices supplied by a dealer in Barbados recently quoted herring at \$7.50 per barrel of 200 pounds f.o.b. Barbados, and Newfoundland cod at \$32 per cask of 448 pounds, while against the latter Bordeaux shippers are quoting cod fish at 3.70 francs per kilo c.i.f. Martinique.

One dealer expressed the opinion that he could probably sell herrings if they were shipped to him on consignment. There is little demand for canned salmon owing to the small number of people who can afford to purchase it.

TRADE FIGURES

The total imports into Martinique for the eleven months ending December 31, 1925, amounted to 139,535,655 francs; for the same period in 1924 they were approximately 121,000,000 francs. The total exports during the same periods were 161,661,000 francs and 112,506,000 francs, respectively.

Martinique according to reports is prosperous. The preference which France accords her colonies has greatly benefited the producers of sugar and rum in Martinique and Guadeloupe. But the condition of the latter is not so favourable as that of the former. The reason given for this is that in Martinique the estates, sugar mills and rum distilleries are owned locally, while on Guadeloupe in most instances they belong to companies domiciled in France. In the former a large share of the profits is spent in the island; in the case of the latter the profits all go to the home country. A visiting bank official stated that in Martinique their accounts hardly caused a moment's anxiety, but the same remark did not apply to Guadeloupe.

CONDITIONS IN THE UNITED STATES

TRADE COMMISSIONER FREDERIC HUDD

New York City, March 17, 1926.—The most important event in February was the settlement of the anthracite coal strike, which had lasted from September 1, 1925, and involved 158,000 employees. This settlement will undoubtedly have a wholesome effect on business generally.

Official reports indicate an improvement in conditions during the month. According to the United States Department of Labour, employment in manufacturing industries increased 1.1 per cent as compared with January and employees' earnings 4.2 per cent. Per capita earnings in all industries increased. Some 7,125 establishments report an average of 94 per cent of full-time operation, as compared with 93 per cent in January and 94 per cent in December, with 87 per cent of a normal full force of employees, as compared with 85 per cent in both January and December. Employment in the United States in February increased in eight out of the nine geographical divisions and earnings increased in every division. Ten of the twelve groups of industry showed increased employment in the month and nine increased pay roll totals. The volume of products moving by rail was above record.

Activity in the building and automobile industries is being maintained and a continued improvement in the textile industries is anticipated. The oil industry is reported as preparing for one of its most active years. Steel production keeps up. Mill operations are heavy, and a feature of the market at present is an unusual steadiness of prices. Production in the four months November to February established a new high rate for four consecutive months by 3 per cent. The average in the four months was 156,752 tons per working day, which is 2.6 per cent higher than the average rate in the first four months of 1925.

Prices generally show a downward tendency, and in the week preceding the date of writing a continued decline in all price averages was reported. Agricultural purchasing power as well as that of labour wages in industry is higher than at any previous time.

According to preliminary estimates, exports of the United States in February had a value of \$353,000,000 and imports \$389,000,000, showing an unfavourable balance of \$36,000,000. Exports were over \$17,000,000 less than in February, 1925, while imports increased over \$55,000,000. The excess of imports over exports in February of this year was nearly equal to the favourable balance of trade of \$37,000,000 in the same month of last year. This condition is attributed in part to a falling off of some \$23,000,000 in cotton exports as compared with January and to increased prices paid for imported rubber, coffee, jute and some other raw materials. In February, for example, the price of rubber was practically double that of the 1925 average and imports of rubber in the month had a value of \$58,000,000.

There has been increased borrowing from the banks and money is in greater demand. Call money rates rose from a level of 3 per cent in January to $4\frac{3}{4}$ to 5 per cent in February. Commercial paper remained in the neighbourhood of $4\frac{1}{4}$ to $4\frac{1}{2}$ per cent. The trend of the bond market was upward and there was fairly active demand in all groups. There were fewer new security issues. The number of business failures as well as the total of liabilities was smaller than in January. The gross debt of the government, loan discounts and investments of member banks of the Federal Reserve System at the end of February were less than on January 31. Foreign exchange remained fairly stable and at the time of writing the Canadian dollar stands at a discount of $\frac{5}{16}$ of one per cent.

UNITED STATES MARKET CONDITIONS FOR FLAX TOW

TRADE COMMISSIONER FREDERIC HUDD

New York City, March 20, 1926.—Several Canadian firms have lately made inquiry as to the possibility of marketing upholstery flax tow in the United States. The product is used extensively in the manufacture of certain kinds of furniture, and this market now appears to be using about 100 cars of from 10 to 12 tons per annum of medium grade tow. Prices fluctuate and are considered high at the moment. The price for the medium grade tow f.o.b. Minneapolis was recently quoted at \$30 per ton, which plus a freight rate of \$15 places this line at \$45 per ton delivered in New York. The fine grade is quoted at \$50 per ton, or \$65 delivered in New York.

The present rate of duty on tow flax imported into the United States is $\frac{3}{4}$ cents per pound. Tariff and freight considerations therefore make it difficult for the Canadian product to compete. One or two dealers state that they consider the Canadian tow superior to the United States product, and that they frequently imported supplies from Canada until the present duty made this impossible.

ECONOMIC AND FINANCIAL CONDITIONS IN BRAZIL

TRADE COMMISSIONER A. S. BLEAKNEY

Rio de Janeiro, February 3, 1926.

Since the last report on conditions in Brazil, which appeared on November 14 of last year and covered conditions in October when the value of the milreis averaged 14.83 cents American, the movement has been to 14.71 in November, 14.20 in December, 14.82 in January, 1926, and 14.73 in February. Average rates on the whole during the past six months have been noted for the relative stability of the milreis with a better purchasing value than the previous six months, as the year 1925 showed an average rate of 12.01 cents.

These factors have not been without their influence on the import situation, which, favoured by the return to political tranquility and the maintenance of the increased purchasing power of the Brazilian currency over 14 cents, shows monthly imports well over the average for 1924. Total Brazilian imports for January to November, 1925 (the latest figures published here) show 4,374,793 metric tons against 3,974,523 for this period in 1924. In thousands of milreis this represents 3,179,878 against 2,486,906, and in sterling values £78,543,000 against £60,929,000. As an evidence of the expansion of the import market here the growth of United States sales to this market may be instanced. For the eight months ending August, 1925, these reached the remarkable total of \$60,250,000, almost as much as for the whole year 1924 and an increase of 45 per cent for the corresponding period of that year. While a few items such as automobiles, petroleum, coal, and flour account for about half of this trade, the increase has been shared by a broad field of United States exports constituting the remainder. Lacking recent Brazilian statistics, the *Monthly Report of the Trade of Canada* shows that Canadian exporters have not been slow to take advantage of the more favourable situation, as for the nine months ending December Canadian exports to Brazil reached a total of \$3,472,358 as against \$2,068,132 in the corresponding period of 1924. For the eight months ending November, 1925, the following increases in Canadian trade, as compared with the corresponding period in 1924, were recorded: automobiles from \$498,866 to \$1,336,703, rubber goods from \$149,131 to \$348,291, sewing machines from \$568,012 to \$748,387. Dried codfish increased from \$83,266 to \$210,250, and wheat flour from \$99,185 to \$185,356. Cotton duck moved from \$6,532 to \$19,051.

EXPORTS FROM BRAZIL

The eleven months ending November show an increase in Brazilian exports, the figures being £93,613,000 against £86,949,000 for the same period last year. Exports have shown a steady increase since 1921 in sterling values. The balance of trade for this period in favour of exports in terms of sterling was £15,070,000, and judging by the movement of trade at the ports of Rio de Janeiro and São Paulo, the year should close with a favourable balance of about £16,500,000. The unfavourable feature of November trade as compared with the previous month is that the balance in favour of exports fell off from £4,522,000 to £2,689,000—a drop of 45.3 per cent. This tendency for the Brazilian favourable balance to decrease is the cause of considerable anxiety in financial circles: the favourable balance last year was £25,736,000. Various reasons are advanced for this situation. It is pointed out that imports should show a natural increase with the growth of population, and that the exchange favours importation and discourages exportation. Complaints are made that too much attention is given to coffee, which accounts for 72.5 per cent of Brazil's exports and for which world consumption is limited, whilst other exports are neglected, and anxiety is caused by the danger that with the higher prices recently ruling other countries will be induced to increase production, seriously and permanently injuring Brazilian export trade. The importance of a favourable balance of trade for Brazil is due to the fact that large sums must be found annually to pay the service of the foreign debt and interest on foreign capital investments in this country.

FINANCE

In a recent article the London *Statist*, arguing from the recent public announcements of the President-Elect, concludes that no violent or even moderate appreciation in the value of the Brazilian currency consequent upon the conscious policy of the Government is to be anticipated during the next few years, and this view appears to be held in conservative circles here. The fact that a too rapid deflationary policy reacts unfavourably upon Brazilian industry, as instanced by the increase in commercial failures in São Paulo from 999 contos during five months ending June, 1925, to 12,055 contos during the succeeding six months, taken with the strong political influence of this State, lends weight to this opinion.

Great satisfaction was felt here at the manner in which the first instalment of 50 per cent of the \$10,000,000 loan for the Institute of Coffee Defence was oversubscribed within five minutes, and the favourable reception given to two smaller commercial loans for just under one million sterling. The Coffee loan was at $7\frac{1}{2}$ per cent and was issued at 90, and was secured by a special export tax on coffee. The success of these loans has done much for Brazilian credit, and there are rumours of negotiations in London for a further federal loan of £20,000,000 and a \$10,000,000 loan for the water supply of São Paulo. Nothing definite, however, has been published officially to date. There is much discussion in the financial press of this country as to the effect of the coffee loan on exchange, and considerable speculation on a rise in the milreis resulted. In banking circles, however, this attitude is deprecated on the grounds that any effect on exchange was anticipated some considerable time ago.

There has been a very rapid change during the last two months in the money situation. Rates payable by banks for three months' deposits have fallen from about 12 per cent to 6 per cent per annum, and even at this low rate banks show no eagerness. Similarly the premium on rates of exchange for purchase of foreign currency for future deliveries has disappeared. The change in the situation is attributed to two main factors: first, the export of the main portion of the coffee crop reducing the demand for money for financing of the unexported portion, and the general stagnation of industry, which in its turn is due to seasonable conditions, and to the consequence of the Government's deflation policy.

ARGENTINA'S IMPORTS OF MANUFACTURED GOODS

TRADE COMMISSIONER E. L. MCCOLL

MACHINERY

Buenos Aires, February 12, 1926.—The increase which has been taking place since the war in the importation of machinery of all kinds is a good indication of the industrial development which is under way in Argentina. Germany is the principal source of supply for general unclassified machinery for factory and machine shop installation, not including motors. Out of 40,000 tons of such equipment imported during 1924, Germany supplied 17,000, the United States 7,500, and Great Britain 7,250.

Machinery plants are far from being standardized owing partly to the fact that the owner supplies his needs at the moment he wants them from a local representative. The next time he buys he is very likely to patronize or try out a machine of some other make. Buying therefore is on the whole done locally, and the selection is made from a large display of equipment which is carried in stock by the different representatives.

Canadian agricultural implements are making good headway. They have a well-merited reputation among the farmers for quality and up-to-dateness, of which an example is a combined harvester-thresher that is a model of its kind. There is an ever-increasing demand for farm tractors and small portable petrol or gasoline engines suitable for farms. Canadian ploughs and garden tools and dairy machinery are finding a ready sale. An effort is being made to introduce Canadian stable equipment with good hopes of eventual success, though progress at first will be slow, partly owing to the fact that the mild climate allows the stock to remain outside without shelter.

Although the market for road-making machinery is at the moment limited, Canadian manufacturers of such equipment should bear in mind that Argentina may shortly become one of the best markets for their products and arrange to have displays of their machinery in the hands of prominent merchants who handle this class of article.

RAILWAY MATERIAL

Argentina possesses 24,000 miles of track, of which some 18,000 are controlled by British companies, whose head offices are in London, 4,500 owned and run by federal or provincial governments, and about 1,500 controlled by French and private national companies. The federal and provincial governments pursue a policy of pioneer work, linking up outlying settlements without considering whether immediate returns will cover running expenses—a programme which private companies will not follow. This is particularly evident in central and southern Patagonia and in the foothills of the Andes in the north of Argentina.

There are five principal British railways in Argentina and they carry on hand and en route general stores to the approximate value of \$40,000,000 (Canadian). These stores embrace a numerous variety of products but principally hardware, wheelbarrows, lead seals for freight cars, railway hand and motor velocipedes with rubber-tired wheels, babbit metals, warehouse truck hoists for piling cases, varnishes, brushes, files, saws, bolts, corrugated iron, upright boilers asbestos packing, rope, tool handles, edge tools and a large quantity of machine shop equipment. Railway engineers and store superintendents are always on the lookout for improved machinery, tools and mechanical devices.

When the writer visited the leading officials as well as the stores superintendents and machine shops of the principal railways, he found everywhere

a keen desire to learn about Canadian products. All concerned were anxious to receive catalogues and prices from Canadian manufacturers of railway material and the writer is convinced that if manufacturers will follow the suggestion their offers will be carefully considered.

The complete railway system of Argentina employs 3,300 locomotives, 3,700 passenger coaches, and 70,000 freight cars. Over 80 per cent of this rolling stock belongs to British lines. During the war and the depression following 1921 little was done in railway expansion, although the immediate needs of some sections were cheaply yet not inefficiently served by laying narrow-gauge tracks as feeders to the wide-gauge trunk lines. Owing to the general return of prosperity there is a desire that conditions, which had perforce to be endured during the last few years, should no longer be tolerated. This feeling is showing itself in the present careful maintenance of railway systems up to a high standard of efficiency, as well as any such expansion including large terminals as will meet the more pressing needs of the country.

The government has outlined a wide system of extensions to be carried on over a number of years, appropriating some \$10,000,000 (Canadian) per annum for this object. It is expected that the Buenos Aires Great Southern will spend about \$10,000,000 in improvements, while the Buenos Aires and Pacific handles with difficulty the increased fruit and wine traffic which it has aided and built up in Mendoza. All the other railways are equally interested in improvements, and they own an elaborate system of experimental farms by means of which they assist production throughout their respective territories. The Buenos Aires Great Southern appears to be the only railway which has made a definite step towards greatly increased construction work.

EDGE TOOLS

Buenos Aires is the principal market of Argentina for edge tools, and the importers supply not only their own city but also the hinterland. While mill work is on the increase in so far as material for house construction is concerned, yet there is a large amount of carpentry work done by hand.

The edge tool trade connected with the construction and furniture industries is one of the most keenly contested in Argentina. Manufacturers' representatives from a dozen countries are visiting their agents, demonstrating samples of new devices or improved models, settling grievances, and drumming up more business. In the case of a great many manufactured articles, the market for the foreign product is declining, but as the population and industry of this South American country increases her requirements will correspondingly increase the demand for tools which cannot be manufactured locally to any great extent for some years to come.

PAPER

The importation into Argentina of some classes of paper is on the increase, while there are other papers which, owing to local manufacture, the importation is falling off. The net result, however, shows a balance in favour of an increase to the extent of 6,712 tons for the year 1924 over 1923, and 17,967 tons for the first half of 1925 over the corresponding period of 1924.

The increase of newsprint is the outstanding feature, while cardboard, book and printing papers come next in order. Germany is the chief source of supply of practically all the twenty classes listed, furnishing 62 per cent out of a total importation for 1924 of 113,652 tons, and 42 per cent out of a total of 85,500 tons imported during the first half of 1925. Scandinavian countries furnished nearly all the remainder. The United States supplied 3,500 tons in 1924 and 4,435 tons for the first half of 1925, 75 per cent of the latter being newsprint. Canadian statistics show that during the first half of 1925, 7,400 tons of Canadian newsprint were sent to Argentina.

Cardboard.—During 1924, 13,179 tons of cardboard were imported, 50 per cent coming from Germany, while Holland, Sweden, and Finland between them supplied in almost equal quantities 40 per cent. There was an increase of 11 per cent in imports over those of 1923, while the first six months of 1925 show an increase of 600 tons more than the quantity imported for the same period of the previous year. National manufacture of cardboard runs from 3,000 to 4,000 tons per annum.

Carbon Paper.—The United Kingdom, the United States, and Germany supplied roughly equal quantities totalling 40 per cent of the imports for 1924, which amounted to 44 tons. For the first six months of 1925, 18 tons were imported. The United Kingdom bettered her position as compared with the United States and Germany. There was a decrease in imports for 1924 compared with the previous year, but the first six months of 1925 show a gain over the same period of 1924.

Newsprint.—Importation for 1924 amounted to 68,360 tons, of which 57,792, or about 84 per cent, came from Germany. Finland, Italy, Norway, and Austria were the next countries of supply in order of importance, with 8,360 tons between them. The first six months of 1925 have shown an increase of 14,624 tons over the same period of the previous year, the total importation amounting to 47,082 tons. Germany's share fell to 50 per cent, while Canada is shown as having sent 1,047 tons.

Drawing Paper.—Thirty-four out of the forty tons of drawing paper imported came from Great Britain.

Wrapping paper imported during 1924 amounted to 3,505 tons, 1,405 of which came from Germany, while the United States sent 145. For the first six months of 1925, 2,406 tons were imported, 836 coming from Germany, 805 from Sweden, and 70 from the United States. From 20,000 to 25,000 tons per annum of this class of paper is manufactured locally, but present importation is not decreasing.

Writing paper imported for 1924 totalled 4,992 tons. Of this amount 3,361 tons are credited to Germany, and the United States furnished 72 tons. There is a considerable falling off in importation of this class of paper, probably due largely to local manufacture replacing lower grades.

Book and printing paper imported during 1924 and the first half of 1925 amounted to 18,085 tons and 9,543 tons respectively. Germany supplied 80 per cent of the former and 74 per cent of the latter. Importation is on the increase, there being 461 tons more imported in 1924 than in 1923 and 1,631 tons more during the first half of 1925 than for the corresponding period of 1924.

There is a national paper industry which consumes roughly 35,000 tons per year of raw material, manufacturing about 23,000 tons of wrapping and similar paper, 3,000 to 4,000 tons of medium printing, book, and writing paper, and about 3,000 tons of cardboard. Wrapping paper and cardboard are the classes which give most promise of success, while general writing and book paper, even though of medium quality, is no more than holding its own owing to low protection. Newsprint comes in duty free and cannot therefore be manufactured locally.

The importation of papers of all classes is increasing, and those Canadian manufacturers who are not shipping to Argentina would in the end find it a profitable market in many lines if they were once to get established. Such an endeavour, however, in view of competition, including established marks, would mean the expenditure of money without immediate returns, but if producers are willing to invest in the future by assisting their agents, eventual success is certain.

LUMBER

Argentina is entirely dependant upon foreign countries for general construction wood which is soft and workable yet strong and durable. There is an abundance of hard woods of innumerable variety in Argentina, but these are so heavy and hard that at present they are only used for vehicles, posts, railway sleepers, furniture, doors, and decorative purposes. Argentina therefore will continue to buy white pine, Douglas fir, and spruce in increasing quantities from Northern Europe and the northern half of North America, as well as Paraná pine from Southern Brazil. Statistics show that the importation of yellow pitch pine and spruce are very much on the increase, while that of white pine and Douglas fir is decreasing.

White pine.—For the year 1924, imports were about 10 per cent less than during 1923. Brazil supplied 85 per cent, while Chile sent $8\frac{1}{2}$ per cent, the United States 5 per cent, and Canada (74,000 square metres) 1 per cent. Importation for the first half of 1925 also shows a slight diminution from that of the same period of 1924. Brazil, Chile and the United States maintained more or less the same proportion of the market, while Canada supplied 2 per cent for this period.

Spruce.—Imports for 1924 showed an approximate increase of 40 per cent over the imports of 1923, while those for the first half of 1925 showed an increase of 100 per cent over those of the same period of the previous year. The United States led as a source of supply with 26 per cent. Czecho-Slovakia and Austria followed with 22.7 per cent and 21.5 per cent respectively. Canada supplied $6\frac{1}{2}$ per cent (451,516 square metres).

Douglas fir (Oregon pine).—The importation of Douglas fir, which statistics show comes entirely from the United States, fell off during 1924, only half the quantity which was brought in the previous year being imported. Statistics show no imports for the first half of 1925.

Yellow pitch pine.—The importation for 1924 of this wood fell off 11 per cent from the quantity brought in the previous year. On the other hand, the first six months of 1925 show a 37 per cent increase over the same period of 1924. The United States supplied practically the whole of this class of wood. The following are the total imports for 1923, 1924 and the first half of 1925:—

	1923	1924	First Six Months, 1925
White pine..	8,200,000	7,539,000	3,096,000 sq. metres
Spruce..	4,912,000	6,811,000	4,481,000
Yellow pitch pine..	15,021,000	13,356,000	9,236,000
Douglas fir..	97,000	43,000	Nil

It is difficult, if not impossible, to induce Argentine importers of lumber to establish credits abroad on behalf of exporters with whom they have had no previous dealings; also, while the Pacific Lumber Inspection Bureau conditions of purchase are well known, importers are reluctant to agree that the certificate issued by this association at the point of export shall be final as to quantity, quality and grade. Importers, while ready to buy according to these rules, desire to leave themselves free to arbitration at this end if they find that there is a difference of unmistakable variation in an assortment from that for which they expected they had contracted. However, all these difficulties disappear once the importer knows the exporter, once the seller has had dealings with the buyer. The difficulty lies in arranging the first shipment when neither consignor nor consignee know one another. South American markets are so promising that it would be well worth while for the principal of any lumber company of British Columbia or the Eastern Provinces to visit these markets in order to initiate business.

IRON AND MANUFACTURES THEREOF

Importation for 1924 reached the value of 116,812,000 gold pesos, being 42,820,000 gold pesos in excess of the previous year. For the first six months of 1925 imports had a value of 67,557 gold pesos, an increase of 20 per cent over the corresponding period of the previous year. The importation of raw and partly manufactured material had a value of 39,342,000 gold pesos, of which Great Britain supplied 32 per cent, Belgium 26 per cent, Germany 24 per cent, and the United States 9 per cent. Wire of all kinds imported amounted in quantity to 87,000 tons, of which Germany supplied 48 per cent. The United States and Belgium came next, each furnishing 20 per cent. Plain sheet iron imported amounted to 56,000 tons, of which Belgium supplied 38 per cent, Germany 30 per cent, Great Britain 20 per cent, and the United States 2½ per cent. The quantity of iron pipe of all classes, including galvanized, imported amounted to 57,000 tons, Great Britain leading with Germany second as sources of supply to the extent of 33 and 27 per cent respectively. France, Belgium and the United States came next with 13, 12 and 11 per cent in the order named. Some classes of Canadian pipe are successfully competing, sales exceeding \$100,000 per annum.

FOOD PRODUCTS

There are numerous inquiries for Canadian cheese, but as this commodity must come south under refrigeration sufficient difficulty seems to arise between the Canadian point of shipment and steamer connection at New York to discourage this business. During the last year Canadian cheese to the value of \$10,000 has come to Argentina, while numerous other interested importers have been put in touch with Canadian manufacturers in the hope of further supplying a much wanted article, but results have been discouraging owing to transport difficulties. Argentine statistics show that during 1924, 1,155 tons of cheese were imported, Italy and France supplying 90 per cent, while Switzerland and Holland furnished most of the remainder.

There is also a market for sardines and other canned and preserved fish, fresh apples, and dried fruits. The United States sent 1,611 tons of fresh eggs out of a total of 2,043 tons imported.

TRADE CONDITIONS IN GERMANY

TRADE COMMISSIONER L. D. WILGRESS

Hamburg, March 6, 1926.—The large number of unemployed and an increase in insolvencies during February indicated continued acute depression of business in Germany, but there are signs that the depth of the depression has now been reached. Recent reports from industrial centres would appear to show that unemployment is no longer increasing.

The total number of registered unemployed in receipt of support on February 15, was 2,058,853, an increase of 16.5 per cent since January 15. Of this increase, however, all but 1.4 per cent occurred during the last two weeks of January, so that the increase in unemployment during February has not been so marked as in the previous two months.

The statistics of the trade unions show that out of a total membership of 3,600,000 approximately 22.6 per cent were unemployed on January 31 and a further 22.6 per cent were working on short time. In other words, only 54.8 per cent of the organized industrial population of Germany are fully occupied. Over half of the workers in the wood-working, textile, metal and book-binding trades are either unemployed or working on short-time. In proportion to population the severest unemployment is reported from the cities of Mannheim, Gelsenkirchen, Dortmund, Stettin, Kiel, Essen, Duisburg and Nuremberg.

The number of bankruptcies during the first half of February was 1,118, an increase of 20.3 per cent as compared with the first half of January. In addition 895 firms were placed under official supervision during the first half of February, an increase of 25.4 per cent as compared with the same period a month previously.

Easier money conditions, which first became marked in January, were still more noticeable during February. The rate for daily money declined steadily until the last week of the month brought about a demand in connection with the monthly settlements. This had little influence on the rate for monthly credits or the private discount rate. The latter remained at 5 per cent on March 1, as compared with 6 per cent a month previously. The rate for monthly credits ranged from $6\frac{1}{4}$ to $7\frac{1}{2}$ per cent. Extreme caution in the granting of credits to German business enterprises continues to be exercised.

There was lessened activity on the German stock markets during the middle of February, which was attributed to a falling off in foreign buying orders. There was some recovery in the last week of the month and the share index of the *Frankfurter Zeitung* stood at 72.61 on February 27, as compared with 71.62 on January 30. In the first part of the month considerable foreign interest was shown in German banking and dye-stuffs shares.

The trade depression is general throughout practically all German manufacturing industries, although especially marked in the iron and steel trades. The almost complete stagnation of home trade is a far more decisive factor than the falling off in export orders. The Government is considering measures for relieving the economic situation and among the proposals are a reduction of the turnover or sales tax from 1 per cent to 0.6 per cent, the abolition of the luxury tax and the introduction of an export credit scheme. Further credits for Russia to the total amount of 300,000,000 Reichsmarks are proposed, of which the Central Government and the Federal States are to guarantee up to 60 per cent.

In view of the business depression in Germany import trade continues to be very quiet. Flour arrivals at the Free Port of Hamburg during February amount to only 172,000 sacks. There has recently been greater activity in the sales of Canadian flour owing to prices having fallen to a more competitive level as compared with the prices of home-milled flour.

RESULTS OF LEIPZIG SPRING FAIR

TRADE COMMISSIONER L. D. WILGRESS

Hamburg, March 8, 1926.—The Spring Sample Fair at Leipzig was held this year during the week from February 28 to March 6. The results of the fair reflected the present trade depression in Germany, but on the whole are said to have been more favourable than had been anticipated.

The number of exhibitors at the fair was reduced to 10,500 from around 12,000 last year. This is not surprising in view of the financial difficulties which so many German firms have experienced recently. On the other hand, the number of visiting buyers to the fair was 140,000, of which 20,000 were foreigners. The latter figure is greater than the corresponding figures for the two 1925 fairs. Among the foreign buyers there were reported to be 1,000 from the United States and 600 from Great Britain.

The export business transacted at the fair was said to be satisfactory in the case of many lines such as porcelain, glass ware, china, woodenware and technical goods. Domestic business on the other hand was mostly very dull and this applied to articles of everyday use and to iron and steel goods, as well as to the higher-priced lines. German buyers in nearly all branches confined their purchases to small quantities sufficient for immediate needs. Terms of payment

were not the important factor as in previous fairs and there was a greater readiness to grant credit terms to reputable buying houses.

The general economic situation had an unfavourable influence on the domestic business transacted in those goods, which are used chiefly by the working population, such as clothing articles, cheap footwear and cotton goods. Better trade was experienced in good quality clothing of reasonable price, used chiefly by the official and salaried classes. Many inquiries were received for building articles in view of the coming building season, and other technical lines were also actively inquired for, although the actual business done was not reported to be large.

Satisfactory orders were secured by the porcelain manufacturers for export. The buyers from the United States are reported to have done the most business in this line, followed by those from Great Britain, South America, and Scandinavia.

The export turnover in toys was considerably less than in the case of previous spring fairs. The chief interest was shown for artistic dolls, dolls' furniture, toy aeroplanes, educative games, and mechanical toys. The trade in dressed dolls was said to suffer from foreign competition.

The business in metal goods was mostly unsatisfactory. Orders for plated silver and alpaca goods were considerably less than at last year's spring fair and in nickelled goods business was only slightly better, total orders amounting to about half those placed last year. The same conditions applied to tinware and wire goods. In aluminium goods orders were secured for India and Africa. The business in cutlery was very dull, both for export and domestic accounts, but particularly for the latter. Fairly considerable export orders were secured for paper goods, especially for high quality paper.

The results of the technical fair are said to have been more satisfactory than those of the general fair. Considerable export orders are reported to have been secured for machine tools and other lines.

CANADIAN EXPORTS TO BELGIUM DURING 1925

TRADE COMMISSIONER YVES LAMONTAGNE

Brussels, February 27, 1926.

It is impossible to give a detailed analysis of all the Canadian exports to Belgium for the calendar year of 1925, as complete statistics are not available here. However, export figures for the principal commodities have been compiled by this office from statistics for the nine months ending December and the monthly reports for January, February, and March supplied by the Dominion Bureau of Statistics. It should be kept in mind, however, that a fair proportion of Canadian goods, shipped to Antwerp for re-export from Belgium, are shown as exported from Canada to Belgium. The total exports from Canada to Belgium in 1925 amounted to \$22,219,453 compared with \$19,681,716 for the previous year and \$13,328,248 in 1923.

The principal commodities exported from Canada to Belgium were barley, oats, and wheat, which amounted to \$16,368,821 in 1925 against \$15,392,864 during the previous year, an increase of \$975,759. Oats and barley imports increased \$2,798,973 and \$586,906 respectively, while wheat imports decreased \$2,409,922. Apart from these grains, other articles were imported to the extent of \$5,850,632 in 1925 against \$4,288,852 in 1924. The difference of \$1,561,780, representing the year's increase, can be attributed principally to the following commodities, the amount of increase being indicated in each case:—

Cheese, \$545,770; lead in pigs, \$322,304; lead ore, \$248,430; automobile parts, \$351,533; automobiles, \$45,875; asbestos, \$220,465; zinc spelter, \$208,066;

pneumatic tire casings, \$123,498; inner tubes, \$27,944; beef chilled, \$179,406; wood-pulp, bleached, \$67,008; aluminium in bars, \$28,459; lobsters, canned, \$19,024; wheat flour, \$14,761; wrapping paper, kraft, \$14,323.

The principal decreases were as follows: zinc ore, \$334,496; canned salmon, \$139,971; butter, \$121,455; flax fibre and tow, \$110,557; whisky, \$67,744; porcelain insulators, \$23,523; cyanimid, \$18,829; tobacco, \$18,650; farm implements, \$15,219; oilcake, \$13,652.

FOREIGN TRADE OF BELGIUM

TRADE COMMISSIONER YVES LAMONTAGNE

Brussels, March 6, 1926.—Official statistics which have just been published covering Belgium's foreign trade during 1925 show an increase in the value of both imports and exports as compared with the previous year. The total imports increased from 17,581,108,000 francs to 17,805,650,000 francs, while total exports increased from 13,932,504,000 francs to 14,536,054,000 francs.

Imports of foodstuffs and beverages show an increase of 9 per cent as compared with 1924, while imports of raw and semi-manufactured products increased 5 per cent. An important decrease (13.4 per cent) is registered in the imports of manufactured goods.

All classes of exports with the exception of live animals show increases. Foodstuffs and beverages expanded 16.8 per cent, whereas exports of both raw or semi-manufactured goods and manufactured products increased over 3 per cent.

The following table establishes a comparison between the trade during 1925 and the preceding year:—

IMPORTS				
	1924	1925	Increase or Decrease	Per cent
		Thousands of Francs		
Live animals.. . . .	63,687	56,966	— 6,721	— 10.5
Food products and beverages.. . . .	4,456,820	4,856,414	+ 399,594	+ 9.0
Raw or semi-manufactured products.. . . .	8,531,155	8,958,832	+ 427,677	+ 5.0
Manufactured products.. . . .	4,515,892	3,909,684	— 606,208	— 13.4
Gold and silver unmanufactured.. . . .	13,554	23,754	+ 10,200	+ 75.2
Total.. . . .	17,581,108	17,805,650	+ 224,542	+ 1.3
EXPORTS				
	1924	1925	Increase or Decrease	Per cent
		Thousands of Francs		
Live animals.. . . .	127,716	97,665	— 30,050	— 23.5
Food products and beverages.. . . .	1,234,797	1,442,720	+ 207,923	+ 16.8
Raw or semi-manufactured products.. . . .	4,701,005	4,852,767	+ 151,762	+ 3.2
Manufactured products.. . . .	7,817,358	8,080,971	+ 263,613	+ 3.4
Gold and silver, unmanufactured.. . . .	51,628	61,931	+ 10,303	+ 20.0
Total.. . . .	13,932,504	14,536,054	+ 603,550	+ 4.1

BALANCE OF TRADE

Belgium's unfavourable balance of trade decreased from 3,648,000,000 francs in 1924 to 3,270,000,000 francs in 1925, an improvement of 10.4 per cent.

Deducting exports and imports of gold and silver coins from the 1913 totals, it is found that imports of merchandise in that year amounted to 4,661,373,000 francs, whereas exports aggregated 3,637,759,000 francs, giving an adverse balance of 1,023,614,000 gold francs. If the unfavourable balance for 1925 is converted into gold francs at the rate of 4.25 paper francs per gold franc, an adverse balance of only 770 million gold francs is obtained, which compares very favourably with the 1913 figures.

In 1925 total exports represented 81.7 per cent of the total imports, whereas in the previous year this proportion stood at 79.2 per cent. In 1913 the proportion was 73.6 per cent, but if the values of the exports and imports of gold and silver coins are deducted, it is found that for merchandise only, exports represented 78 per cent of the imports. The general improvement in this respect is reflected in the following statement:—

	Exports Francs	Imports (000 omitted)	Percentage of Exports to Imports
1913..	3,715,814	5,049,859	73.6 per cent
1920..	8,862,011	12,941,765	68.5 "
1921..	7,273,350	10,198,288	71.3 "
1922..	6,083,118	9,098,007	66.9 "
1923..	9,725,054	13,204,780	73.6 "
1924..	13,932,504	17,581,108	79.2 "
1925..	14,536,054	17,805,650	81.7 "
1925..	3,420,250 (gold)	4,189,565 (gold)	

MANUFACTURED GOODS

From an examination of the statistics covering Belgium's trade in manufactured goods, it is seen that whereas in 1913 exports of manufactured articles were 165.2 per cent greater than imports of these goods, this ratio rose to 206.5 per cent in 1925. The progress achieved in this direction is shown as follows:—

	Exports Francs	Imports (000 omitted)	Percentage of Imports to Exports
1913..	1,436,430	869,478	165.2 per cent
1920..	4,834,878	3,479,237	139.0 "
1921..	3,126,810	2,827,892	110.6 "
1922..	3,366,959	2,783,861	120.9 "
1923..	5,393,047	3,531,092	158.4 "
1924..	7,817,358	4,515,892	173.1 "
1925..	8,080,971	3,909,634	206.5 "
1925..	1,901,405 (gold)	919,926 (gold)	

It is worthy of note that exports of manufactured products in 1925 were valued at 1,901,405,000 gold francs, as compared with 1,436,430,000 gold francs in 1913, an increase of 32.4 per cent. On the other hand, imports in this class of goods increased from 869,478,000 gold francs to 919,926,000 gold francs, or only 5.8 per cent.

It may be concluded from the foregoing analysis that, allowing for an all-round increase in prices since the war, Belgium's foreign trade has practically reached its pre-war level. This is a remarkable achievement when it is remembered in what a crippled condition the country was left at the end of 1918.

NOTE: An average rate of 22 paper francs per Canadian dollar may be taken for 1925.

MARKET IN HOLLAND FOR COW HAIR

Mr. Frederick H. Palmer, Canadian Government Trade Commissioner in the Netherlands, writing under date of March 6, 1926, directs the attention of tanners and kid glove manufacturers to the trade inquiry which is published in this issue of the *Commercial Intelligence Journal* (page 421) dealing with cow and kid hair.

A Dutch importing firm with wide connections are desirous of establishing contact with firms collecting short animal hair, and have expressed an interest in clean hair, which should be offered in pressed bales of about 300 pounds wrapped in jute and securely wired.

The importer states that the softer the hair the better the market price and instances the difference of 7 or 8 Canadian cents per pound in the prices of Dutch and American cow hair. There appears to be something in the water in which Dutch tanners wash their products which has the unfortunate effect of hardening the fibre and thus depreciating its value. This by-product is used by manufacturers of felt, sealskin, travelling blankets, and carpets.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Certificates of Origin for United Kingdom

The Custom House, London, England, issued on February 1, 1926, Notice No. 27A, containing regulations for the application of preferential duties in Great Britain and Northern Ireland on goods consigned from, grown, produced, or manufactured in the British Empire. There are very few differences in the new regulations from those given in a similar notice dated August 23, 1920, and which has been distributed widely in Canada. It is found, however, there are certain changes in the text of the certificate of origin for manufactured goods in respect of which a reduction of duty is claimed only in respect of the proportion of dutiable materials of Empire origin entering into the manufacture; that is to say, manufactured tobacco, refined sugar, molasses and other extracts from sugar. This is the certificate given in Appendix F of the notice and known as Customs Form No. 121 (Sale).

Exporters are reminded that these certificates are required only in the case of goods to be entered under a preferential tariff and do not affect other commodities. Canadian firms interested in these regulations are invited to apply for copy of the leaflet to the Department of Trade and Commerce, Ottawa.

Fifty Per Cent Preference Conditions in New Zealand

Exporters are reminded of the revised regulations for the application of the British preferential tariff in New Zealand which are to be applicable to goods entering that Dominion on and after April 1, 1926. Taking into account the time required for goods to reach New Zealand after their departure from Canada, it will be seen that exporting firms should begin soon to observe the new requirements. The principal feature of the new regulations is an increase from 25 per cent to 50 per cent of the proportion of British value (as defined for customs purposes) required in goods partly manufactured from material of non-British origin before such goods may be entered under the British preferential tariff. The standardized Imperial Customs Conference forms may be used up to September 30, providing that, when required, they are altered in regard to the 50 per cent qualification. These are the forms set forth in F.T.D. leaflet No. 32, issued by the Department of Trade and Commerce, Ottawa. Canadian exporting firms are invited to write the Department of Trade and Commerce, Ottawa, for copies of F.T.D. Leaflet No. 52, setting forth details of the revised New Zealand preference conditions.

Legalization of Commercial Invoices for Brazil

Writing from Rio de Janeiro under date of February 23, Mr. A. S. Bleakney, Canadian Trade Commissioner, advises that the new 1926 Revenue Law, which was effective February 1 of this year, contains new regulations to the effect that consular invoices will not be legalized by Brazilian consuls or consular officers unless they be presented by the shipper with two copies of the commercial invoice, both duly signed by the manufacturer or whoever is selling the goods. These two copies must also be legalized in accordance with Brazilian consular invoice regulations. Lack of the commercial invoice will subject the importer to a fine equal to double the amount of the duties payable.

It is stated in the law that within sixty days of the date of the Revenue Law (December 30, 1925) instructions in this sense shall be sent to all Brazilian consular officers. As it will take some time for these instructions to reach their destinations, it is believed here that these regulations will not be in force before April 1 at the earliest.

Czecho-Slovak Duties on Wheat and Flour Reimposed

TRADE COMMISSIONER L. D. WILGRESS

Hamburg, March 2, 1926.—The Czecho-Slovak import duty of 12.60 crowns per 100 kilos (220 pounds) on wheat and of 22 crowns per 100 kilos on wheat flour, which were in effect during December and January but which were removed on February 1, have again been imposed as from March 1. This is in accordance with the decree of June 4, 1925, which provided a sliding scale of duties on grain and milled products based on the current market price of grain. Thus so long as the price of wheat exceeds 180 crowns per 100 kilos no import duties are imposed on wheat and wheat flour, but as soon as the price of wheat falls below that figure the duties on wheat and wheat flour become effective, as follows:—

When the price of wheat per 100 kilos is:—	Duty on wheat Crowns per 100 Kg.	Duty on wheat flour Crowns per 100 Kg.
Up to 135 crowns..	25.20	40.00
More than 135 and up to 160 crowns..	18.90	30.00
More than 160 crowns and up to 180 crowns..	12.60	22.00
More than 180 crowns..	Free	Free

NOTICE TO CANADIAN EXPORTERS INTERESTED IN THE MARKETS OF CHINA

Mr. L. M. Cosgrave, Canadian Trade Commissioner in Shanghai, intends towards the end of April to undertake a business mission to South China, which includes Hong Kong and the ports of Canton, Swantow, Amoy, and Foo-chow. As the chief purpose of this tour is to allow the Trade Commissioner to become personally acquainted with the leading importers of Hong Kong and the other cities of South China, Canadian manufacturers and exporters interested in this market are strongly requested to supply him immediately, addressed to his office in Shanghai, with latest catalogues, discount lists and c.i.f. prices main China ports, together with (where possible) small samples.

In September or October Mr. Cosgrave intends to visit Northern China, in which are the cities of Hankow, Tientsin, Peking, Dairen, Harbin, Mukden, Tsinanfu, and Tsingtao.

It is a frequent practice in China to maintain separate agencies for the southern and northern parts of the country, and manufacturers who desire to make such separate arrangements are requested to notify the Shanghai office to that effect as soon as possible.

INDIA'S CONTINUED PROSPERITY

The steady continued improvement of Indian economic conditions in the last few years is reflected in the Budget Sir Basil Blackett presented to the Legislative Assembly at Delhi on March 1, says the London *Times Trade Supplement*. India has had a succession of favourable monsoons, and though the cotton textile industry has been suffering from depression, the trade figures of the year are satisfactory. The Finance Member remarked that Indian trade and commerce during the year have been less influenced by internal than by external conditions affecting world trade. The fall in prices has been more marked than in previous years, the general index figure having come down in 1925 from 176 to 163.

Among the satisfactory features of the year from the Indian standpoint are the prosperity of the tea industry, the advance of prices in jute, the growth in the use of motor vehicles, the persistent strength of rupee sterling exchange, a remarkable absence of monetary stringency, and the buoyancy of revenue yield, except under the income-tax head, which has suffered from the depression of the mill industry in Bombay.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING MARCH 22, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending March 22, 1926. Those for the week ending March 15, 1926, are also given for the sake of comparison.

	Parity		Week Ending March 15, 1926	Week Ending March 22, 1926
Britain £	1.00	\$4.86	\$4.8556	\$4.8575
Czecho-Slovakia Crown	1.	.203	.0296	.0296
France Fr.	1.	.193	.0361	.0352
Italy Lire	1.	.193	.0401	.0402
Holland Florin	1.	.402	.4005	.4007
Belgium Fr.	1.	.193	.0425	.0406
Spain Pes.	1.	.193	.1409	.1409
Portugal Esc.	1.	1.08	.0520	.0520
Switzerland Fr.	1.	.193	.1925	.1926
Germany Reichs Mk.	1.	.233	.2382	.2382
Greece Dr.	1.	.193	.0142	.0136
Norway Kr.	1.	.268	.2168	.2153
Sweden Kr.	1.	.268	.2680	.2683
Denmark Kr.	1.	.268	.2617	.2626
Japan Yen	1.	.498	.4575	.4550
India R.	1.	2s.	.3680	.3665
United States \$	1.	\$1.00	1.0037	1.0031
Mexico \$	1.	.498	.4865	.4870
Argentina Pes.	1.	.424	.3925	.3912
Brazil Mil.	1.	.324	.1450	.1435
Roumania Lei	1.	.193	.....	.....
Jamaica £	1.	4.86	4.8775	4.8800
British Guiana \$	1.	1.	1.0050—1.0175	1.0062—1.0187
Barbados \$	1.	1.		
Trinidad \$	1.	1.		
Dominica \$	1.	1.		
St. Kitts \$	1.	1.		
Grenada \$	1.	1.		
St. Vincent \$	1.	1.		
Tobago \$	1.	1.	1.7537	.7825
Shanghai, China Tael	1.	.708		
Batavia, Java Guilder	1.	.402		
Peru Pound	1.	4.86		
Singapore, Straits Settlements .. \$	1.	.567	.5725	.5725

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

259. FLOUR AND WHEAT.—Canadian exporters of flour and wheat are asked to send prices to a Greek firm.

260. FLOUR, OATS, HAY.—A Cuban house desires to hear from Canadian exporters of hard and soft wheat flour with a view to representation. They are also interested in oats and hay.

261. **CANNED MEATS AND OTHER FOOD PRODUCTS.**—A firm of brokers at Havana are desirous of representing Canadian exporters of canned meats or any kind of canned food excepting fruits and vegetables.

262. **FOOD PRODUCTS—FROZEN MEAT.**—Canadian exporters of frozen meat are requested to submit quotations to a Turin firm wishing to import from Canada.

263. **CANNED FISH.**—An agent in Hamburg, Germany, wishes to get in touch with Canadian exporters of canned salmon and lobster.

264. **CANNED SALMON AND LOBSTER.**—A firm in Hamburg, buying for own account, desire to get in touch with Canadian cannery of salmon and lobster.

265. **CANNED FRUITS.**—An agent in Hamburg wishes to get in touch with Canadian exporters of canned fruits.

266. **DRIED FRUITS.**—An agent in Hamburg wishes to get in touch with Canadian exporters of dried apples and other dried fruits.

267. **CAVIARE; CEREALS.**—Canadian exporters of above are requested to communicate with an importer at Havre.

268. **OATS, SARDINES, POTATOES.**—A broker at Havana is desirous of representing Canadian exporters of these commodities.

Miscellaneous

269. **HAY.**—If Canadian exporters of hay can ship to Holland at about 50 guilders (\$20) per ton c.i.f. Rotterdam, they should get in touch with a Dutch importer.

270. **ANIMAL HAIR.**—A Rotterdam importer and distributor of short cow and kid hairs desires to establish contact with tanners, kid glove manufacturers and exporters of these products.

271. **RUBBER WELLINGTON BOOTS.**—An agent for footwear in Glasgow is anxious to represent in Scotland a Canadian firm manufacturing rubber Wellington boots prepared to aggressively develop business in this market.

272. **PAINTS, HOUSEHOLD UTENSILS, ETC.**—An importer at Havre would like to be appointed agent on commission for first-class Canadian concerns exporting the above line of goods.

273. **METALWARE, GENERAL HARDWARE, HARDWARE FITTINGS.**—A firm at Manchester, England, manufacturing fire extinguishers, are desirous of representing Canadian firms who are interested in shipping allied lines such as these to that market.

274. **MACHINERY.**—A British subject resident in Havre desires to represent Canadian manufacturers of agricultural, brick and tile machinery.

275. **GRAPHITE (RAW OR REFINED).**—A French party wishes to receive quotations from Canadian exporters of the above.

276. **RESIN.**—A Glasgow firm desire to obtain sources of supply of resin for sale in different parts of the world. Any Canadian firms able to supply this commodity are invited to get in touch.

277. **LEATHER AND LEATHER PRODUCTS.**—Canadian exporters of the above desiring representation in France are requested to communicate with an importer at Havre.

278. **WOODEN SLATS.**—A firm of importers and exporters in Hamburg are anxious to receive offers from Canadian saw-milling concerns in a position to supply canvas slats for harvesting machines made out of ash, cedar or similar woods.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice.)

From St. John

To LONDON.—Brecon, April 3; Bothwell, April 17—both Canadian Pacific; Canadian Raider, March 31; Canadian Rancher, April 14; Canadian Aviator, April 21—all C.G.M.M.; Vallevia, March 31; Verentia, April 21—both Cunard Line.

To CARDIFF AND SWANSEA.—Canadian Victor, April 7; Canadian Leader, April 21—both C.G.M.M.

To LIVERPOOL.—Montrose, April 2; Montcalm, April 9; Montclare, April 16; Metagama, April 23—all Canadian Pacific.

To SOUTHAMPTON.—Minnedosa, April 1; Melita, April 15—both Canadian Pacific.

To MANCHESTER.—Manchester Corporation, April 3; Manchester Brigade, April 17—both Manchester Liners.

To GLASGOW.—Batsford, April 10; Bolingbroke, April 20—both Canadian Pacific; Carnia, March 30; Concordia, April 17—both Anchor-Donaldson.

To BELFAST AND DUBLIN.—Fanad Head, Head Line, April 10.

To AVONMOUTH.—Concordia, Anchor-Donaldson, April 17.

To ANTWERP.—Canadian Raider, March 31; Canadian Rancher, April 14; Canadian Aviator, April 21—all C.G.M.M.; Minnedosa, April 1; Marburn, April 3; Melita, April 15—all Canadian Pacific.

To HAVRE.—Hada, Intercontinental Transports, Ltd., April 15.

To ROTTERDAM.—Hada, Intercontinental Transports, Ltd., April 15.

To HAMBURG.—Marburn, Canadian Pacific, April 3; Laval County, Intercontinental Transports, Ltd., April 7.

To COPENHAGEN AND BALTIC PORTS.—Arkansas, Scandinavian-American Line, April 4.

To CUBA.—Emperor of Havana, April 1; Emperor of Port McNicholl, April 10—both Robert Reford Co.

To AUSTRALIAN AND NEW ZEALAND PORTS.—Wirral, New Zealand SS., April 20.

To SOUTH AFRICAN PORTS.—Cochrane, Elder Dempster Line, April 15.

From Halifax

To HULL.—Wheatmore, April 6; Ariano, April 13; Comino, April 20—all Furness, Withy.

To LIVERPOOL.—Sachem, April 8; Newfoundland, April 20;—both Furness, Withy; Regina, White Star-Dominion Line, April 14.

To COBH (QUEENSTOWN).—Alaunia, Cunard Line, April 12.

To MANCHESTER.—Manchester Importer, March 30; Manchester Corporation, April 5; Manchester Hero, April 10; Manchester Brigade, April 19; Manchester Commander, April 26—all Furness, Withy.

To LONDON.—Wheatmore, April 6; Ariano, April 13; Comino, April 20—all Furness, Withy.

To ST. JOHN'S, Nfld.—Sachem, April 8; Newfoundland, April 20—both Furness, Withy; Skipper, April 2, April 16; Sable I., April 9; Hethpool, April 23—all Farquhar SS.

To BERMUDA, ST. KITTS, ANTIGUA, MONTserrat, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Chaudiere, R.M.S.P. Co., April 9.

To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Fisher, C.G.M.M., April 10.

To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD, DEMERARA AND GUADELOUPE.—Canadian Volunteer, C.G.M.M., April 2.

To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Carrier, C.G.M.M., April 16.

To BARBADOS AND TRINIDAD.—Canadian Squatter, C.G.M.M., April 9.

To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, April 21.

To SANTIAGO, KINGSTON AND MONTEGO.—Andalusia, Pickford & Black, April 7.

To NEW ZEALAND PORTS.—Canadian Conqueror, C.G.M.M., April 24.

To AUSTRALIAN PORTS.—Canadian Britisher, April 3; Canadian Scottish, April 24—both C.G.M.M.

From Vancouver

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Asia, Canadian Pacific, April 3.

To YOKOHAMA, KOBE, SHANGHAI, HONG KONG AND MANILA.—Empress of Canada, Canadian Pacific, April 17.

To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Arizona Maru, April 2; Africa Maru, April 24—both Osaka Shosen Kaisha.

To YOKOHAMA, KOBE, MOJI, DAIREN, TAKU AND SHANGHAI.—London Maru, Osaka Shosen Kaisha, April 12.

To YOKOHAMA, KOBE, MIKE AND HONG KONG.—Protesilaus, Blue Funnel, April 29.

To YOKOHAMA, KOBE AND HONG KONG.—Tyndareus, Blue Funnel, April 1.

To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Niagara, Canadian-Australasian Line, April 7.

To WEST COAST UNITED KINGDOM PORTS.—Canadian Freighter, April 10; Canadian Transporter, April 28—both C.G.M.M.

To LONDON.—Canadian Seigneur, C.G.M.M., April 10; Isis, United American Line, April 2.

To MANCHESTER.—London Merchant, April 9; Pacific Shipper, April 23—both Furness Line.

To BORDEAUX, HAVRE AND ANTWERP.—La Marseillaise, March 30; Notre Dame de Fourviere, April 21—both Cie. Gle. Transatlantique (French Line).

To HAMBURG AND BREMEN.—Isis, United American Line, April 2.

To ANTWERP.—Isis, United American Line, April 2; Canadian Seigneur, C.G.M.M., April 10.

To BARCELONA, MARSEILLES, GENOA, NAPLES AND TRIESTE.—Cherca, Navigazione Libera Trieste, April 15.

To AUSTRALIAN AND NEW ZEALAND PORTS.—West Henshaw, Pacific-Australia Line, April 17.

LISTS OF ACTS ADMINISTERED AND PUBLICATIONS ISSUED BY THE DEPARTMENT OF TRADE AND COMMERCE

Applications for these Acts of Parliament and other publications in this list, together with remittances for the same, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution".

Copper Bars and Rods Bounty Act. Copyright Act.
Electricity and Fluid Exportation Act. Electricity Inspection Act.
Electric Units Act. Gas Inspection Act. Gold and Silver Marking Act.
Grain Act. Hemp Bounty Act. Inland Water Freight Rates Act.
Patent Act. Statistics Act. Trade Mark and Design Act.
Timber Marking Act. Inspection of Water Meters Act.
Weights and Measures Inspection Act.

MISCELLANEOUS

Annual Report of the Department of Trade and Commerce. (Price 10 cents.)
Annual Report of the Board of Grain Commissioners for Canada. (Price 25 cents.)
Annual Report of Weights and Measures, Electricity and Gas. (Price 10 cents.)
Canada-British West Indies-Bermuda-British Guiana-British Honduras Trade Agreement (1925). (Price 10 cents.)
Canada West Indies Conference (1920). (Price 25 cents.)
Canada-West Indies Conference Report, (1925). (Price \$1.)
Dominion Grain Research Laboratory (1920). (Price 10 cents.)
Electrical Standards and their application to Trade and Commerce.
Final Report of the Fuel Controller (1920).
Grain Inspection in Canada (1914). (Price 25 cents.)
Imperial Fruit Show (1923).
List of Licensed Elevators, etc. (Price 50 cents.)
Motion Pictures, Catalogue of. (Price 10 cents.)
Pan-Pacific Commercial Conference (1923). (Price 25 cents.)

PUBLICATIONS OF THE COMMERCIAL INTELLIGENCE SERVICE

NOTE.—Publications of the Commercial Intelligence Service are free to subscribers to the Commercial Intelligence Journal.

Commercial Intelligence Journal Weekly (In English and French), containing Reports of Trade Commissioners and other Commercial Information. Annual Subscription: In Canada, \$1; single copies, 5 cents. Outside Canada \$3.50; single copies, 10 cents.
Chinese Markets for Canadian Products (1919). (Price 25 cents.)
German War and its Relation to Canadian Trade (1914). (Price 25 cents.)
Indian Empire as a Market for Canadian Products (1922). (Price 25 cents.)
Markets of British Malaya (1923). (Price 25 cents.)
Markets of Jamaica and the Republic of Colombia, Venezuela and Panama (1922). (Price 25 cents.)
Packing for Overseas Markets (1922). (Price 25 cents.)
Preferential Tariffs of British West Indies (1922). (Price 25 cents.)
Report of Special Trade Commission to Great Britain, France and Italy. (French and English) 1916). (Price 25 cents.)
Representation in British and Foreign Markets (1923). (Price 25 cents.)
Republic of Chile: Its Economic Condition and Trading Opportunities (1923). (Price 25 cents.)
Republic of Peru: Its Development and Commercial Opportunities (1923). (Price 25 cents.)
Russian Trade (1916). (Price 25 cents.)
Trade after the War (1916). (Price 25 cents.)
Timber Import Trade of Australia (1917). (Price 25 cents.)
Trade between Canada and the British West India Colonies (1920). (Price 25 cents.)
Trade of the New Countries of Southeast Europe (1921). (Price 25 cents.)
Trading Opportunities in Scandinavia (1922). (Price 25 cents.)
Trading with Egypt (1921). (Price 25 cents.)
Trading with Greece (1921). (Price 25 cents.)
Trade with South China (1918). (Price 25 cents.)
Trading with Spain (1920). (Price 25 cents.)
Toy Making in Canada (1916). (Price 25 cents.)
West Africa and its Opportunities for Canadian Trade (1921). (Price 25 cents.)

PUBLICATIONS OF THE DOMINION BUREAU OF STATISTICS

The following is an abbreviated list of publications of the Bureau of Statistics.

Census of Canada.

Census of Prairie Provinces (1916).

Miscellaneous Statistics respecting the following: Criminal; Education; Finance (Provincial and Municipal); Transportation, including railways and tramways, express, telegraphs, telephones water, etc.; Production, including agriculture, furs, fisheries, forestry, mining and manufactures: Vital (annual and monthly).

Monthly Bulletin of Agricultural Statistics

Year Book of Canada.

Report of the Dominion Statistician, Annual.

Trade of Canada (Imports and Exports), Annual and Monthly.

Trade (Internal), including grain, live stock, coal prices, etc.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

James Cormack. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

P. W. Cook. Address for letters—P. O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300. Office—North China Daily News Building, 17 The Bund, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Gutrufhaus, Neuerwall 10, Hamburg 36. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czechoslovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watermill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230; office, Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

Netherlands East Indies

R. S. O'Meara, P. O. Box 84, Batavia, Java. (Territory covers Straits Settlements, Federated Malay States, Indo-China, and Siam.) *Cable Address, Canadian.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P. O. Box 683; Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia). *Cable Address, Sleighing, London.*

J. Forsyth Smith, Century Bldgs., 31 North John street, Liverpool. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales). *Cable Address, Cantracom.*

Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands). *Cable Address, Canadian.*

Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

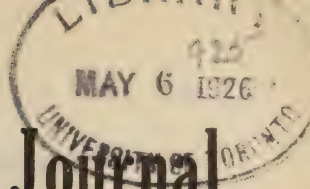
France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Nov. 1926
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Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, April 3, 1926

No. 1157

TABLE OF CONTENTS

	Page		Page
Trade Commissioner A. B. Muddiman's Itinerary in Canada	425	Wood Distillation Plant established in British Malaya	440
Market for Footwear in South Africa	426	Kenya and Uganda Trade in 1925	441
United Kingdom Trade Conditions	429	Present Condition of Chilean Market	441
Income Tax Liability of Non-Resident Firms Trading in the United Kingdom through Agents	430	Belgium's Foreign Trade	445
South Wales Hay Trade and Prices	431	German Grain Trade	447
Shipment of Live Hogs to Birkenhead	432	Economic Conditions in the Netherlands	449
Produce Market in Glasgow	432	Economic Conditions in Italy	451
Business Conditions in Scotland and Northern Ireland	433	International Exhibition of Forestry Products in Milan	451
Agricultural Returns for Northern Ireland, 1925	434	Tariff Changes and Customs Regulations: Importation of Wheat into New Zealand	452
Trade of New Zealand for 1925	435	New Japanese Tariff and Anti-dumping Legislation	452
New Zealand Dairy Board	438	Trade Inquiries for Canadian Products	452
Australian Financial and Commercial Conditions	438	Foreign Exchange Quotations for Week ending March 29, 1926	454
		Proposed Sailings from Canadian Ports	455
		Commercial Intelligence Service	456

TRADE COMMISSIONER A. B. MUDDIMAN'S ITINERARY IN CANADA

Mr. A. B. Muddiman, formerly Canadian Trade Commissioner in Singapore, who is on his way to Rotterdam, to which post he is being transferred, has reached Ottawa, and is about to undertake a tour of Central Canada in the interests of Canadian trade to the Straits Settlements, Siam, and the Dutch East Indies, as well as to Holland. The following is the first part of his itinerary:—

Toronto	March 29 to April 10
Hamilton	April 12-15
Brantford	April 16
Guelph	April 19
Kitchener	April 20
Stratford	April 21
Windsor	April 22-24
London	April 26
Montreal	April 29 to May 13

Canadian firms who desire to be brought in touch with Mr. Muddiman or to interview him are requested to communicate with the Department of Trade and Commerce, Ottawa, in order that the necessary arrangements may be made.

The itinerary for other points in Quebec and the Maritime Provinces will be announced later.

MARKET FOR FOOTWEAR IN SOUTH AFRICA

TRADE COMMISSIONER G. R. STEVENS

Cape Town, February 19, 1926.—The imports of footwear into South Africa during 1923 and 1924 were as follows:—

Leather—Men's

	1924		1923	
	Pairs	Value	Pairs	Value
United Kingdom	441,966	£280,766	559,435	£354,313
Switzerland	5,342	2,087	931	786
United States	15,329	14,478	16,190	14,874
All suppliers	466,964	300,296	593,833	378,813

Leather—Women's

United Kingdom	1,038,337	515,701	929,298	475,984
Austria	6,144	4,382	14,728	10,098
Belgium	4,860	5,513	2,170	2,665
Czecho-Slovakia	6,187	3,088	4,952	2,976
France	6,839	5,467	6,018	5,864
Switzerland	115,227	71,945	78,301	47,421
United States	29,089	23,263	55,743	47,601
All suppliers	1,213,886	631,109	1,128,191	602,601

Children's

United Kingdom	239,528	62,671	218,595	62,294
All suppliers	242,309	63,580	226,543	64,498

Slippers

United Kingdom	119,460	20,556	261,677	39,156
All suppliers	139,691	24,266	283,963	43,630

Infants'

United Kingdom	250,963	29,329	Not previously differentiated	
All suppliers	256,729	30,041		

Other, Not Leather

(Canvas, Walking and Sporting Shoes—Rubber-soled)

United Kingdom	107,484	16,454	Not previously differentiated	
Canada	40,438	10,550		
United States	16,618	4,606		
All suppliers	188,445	32,147		

Canvas, Walking and Sporting Shoes—Leather-soled

United Kingdom	343,931	64,512	Not previously differentiated	
All suppliers	378,487	72,029		

Rubber, including Plimsolls

United Kingdom	105,773	11,291	166,380	22,931
Canada	63,239	18,980	92,688	17,543
United States	16,009	6,788	47,156	15,177
All suppliers	191,906	37,643	307,212	55,790

South African manufactures of footwear during the same period approximated 3,000,000 pairs annually, of an average value of 19s. (\$4.56) per pair.

The footwear situation in South Africa is interesting. Prior to the war Great Britain had a great trade in all varieties of footwear; it was indeed one of her best markets. During the war when she was unable to supply, a footwear industry grew up in South Africa. It was over-capitalized and over-expanded, and as a result, when the post-war depression came, extraordinary measures were necessary to save it from going to the wall. These measures took the form of an embargo upon imports below a certain value, and under such advantage the South African industry regained its feet and its position, largely through influxes of British capital. Following the withdrawal of the embargo in 1924, the South African industry appealed for high protection and through two enactments such

protection was given. A rigorous adulterated leather act placed overseas' manufacturers of good quality footwear at a disadvantage. (This disadvantage, of course, was communicated in the long run to the South African manufacturer who was forced to import his better qualities of leather.) In addition, a duty of 30 per cent was levied against all footwear except that manufactured in the Empire, which received a rebate of 3 per cent. When the 1925 tariff was being drafted the boot and shoe manufacturers appealed for more assistance, but only small support was received. The British preference was withdrawn, thus making the duty upon all imports 30 per cent ad valorem. But in addition a rider was incorporated with the item of boots and shoes which brings up the duty for review in 1928. The intent of the rider was that from 1928 to 1932 the duty should be reduced each year by $2\frac{1}{2}$ per cent ad valorem until a stabilized rating was reached at 20 per cent in the year indicated.

In the meantime, however, the South African boot and shoe industry has been putting its house in order. A number of the more heavily committed and capitalized firms have gone to the wall, but others have begun to specialize upon types of footwear which they can manufacture to advantage. As a result, the South African footwear industry is on a sounder basis to-day than ever before, and it is certain that domestic production will gradually encroach upon imports. To date such encroachment has been most noticeable in the lower ranges of men's footwear, but there is no question that a considerable proportion of the total South African requirements are certain to pass to the manufacturers of the Union.

There is one difficulty, however, upon which the South African leather manufacturers must achieve unanimity before the future of the boot and shoe industry is assured. This is in regard to the rival claims of tanners and bootmakers for protection. Concessions have been made to each, and as many of the boot and shoe plants own their own tanneries, some satisfactory compromise may be anticipated. (Improvements in methods of manufacture appear to be more rapid than in the improvement of qualities.)

At present the cheap and moderate-priced lines—what was formerly known as the "Bristol" trade because that centre was the seat of manufacture—are almost entirely South African, and it is only in the higher-priced and better-shaped goods that imported supplies are holding their own. The matter of last and style is, of course, more important in women's shoes than in men's, and consequently it is noticeable that imports consist of two pairs of ladies' shoes for every one of men's. The local manufacturers do not seem to have mastered the production of ladies' shoes to date, and it is in this division of the trade that the greatest possibilities lie.

Neither Canada nor the United States have ever supplied any particular quantity of leather footwear for this market. The Canadian and American scheme of production in which a number of styles are adopted for a season's run tells against such suppliers when they come to compete with the more flexible British manufacturers who are always in a position to supply any last or quality that takes the fancy of the South African public. Shoe salesmen have repeatedly picked up a shoe in the Trade Commissioner's sample room and have said in effect: "The workmanship and price of this shoe is highly competitive, but South Africa will not buy this last and we know very well that there is no point in expecting the Canadian factory to supply the lasts which we require." It is this factor which is the great deterrent to a freer sale of leather footwear from the North American continent in this market.

American business at present consists of a comparatively limited range of fine footwear in a few qualities of leather and a few styles. In men's shoes an Oxford only is purchased from the United States in a price range between 12s. 6d. (\$3) and 16s. 8d. (\$4) f.o.b. American ports. Willow and other calfs are the leathers in demand, particularly soft and attractive calfs, with what a buyer

described to the writer as "a kindly feel." Extreme styles are not desired, but a shape in which a range of perhaps five to six lasts can be furnished is always sought. Conservative lasts of English type, but retaining some bit of American "snappiness," are South Africa's choice among American offerings.

In the better-class section of the trade Great Britain has done remarkably well during the past year. There are few, if any, British shoes imported under a value of 18s. f.o.b., but extraordinary quality and value are obtainable. Of course at this price the British manufacturers are faced with a steadily narrowing market. But in spite of 30 per cent duty, it is still possible to buy first-class British shoes at 30s. (\$7.25) in qualities which seem unapproachable by other suppliers.

WOMEN'S SHOES

With reference to women's shoes, Continental styles and qualities predominate at present, although the trade is overwhelmingly British. The high-heeled round-toed Continental slipper has replaced all other business. The long South African summers, resulting in few suits and a maximum of light frocks, have imposed the high-heel smart-line shoe upon South African ladies and no other modes are acceptable. Walking shoes of British or American type will not sell in South Africa, no matter how smart. Even American imitations of Continental styles are not regarded with particular favour, it being considered that Great Britain copies Continental offerings more faithfully than the United States. There are one or two adjustments, notably in the heel of Continental shoes, which South Africa requires, and it is probably on this account that Great Britain has such a preponderant position in this trade.

INFANTS' SHOES AND BOOTEES

Formerly infants' shoes and bootees were not dutiable and the whole trade, consisting of £30,000 per annum, belonged to Great Britain. Since the new tariff they are dutiable at 12 per cent, but it is not believed that this will be sufficient for the local factories to obtain any particular share of the business.

FOOTWEAR (RUBBER SOLED AND CANVAS)

The predominance of Great Britain as a manufacturer of footwear ends with leather boots and shoes, and in the remaining classes other nations, especially Canada, become close competitors. Great Britain does not seem to manufacture an intermediate range of rubber-soled and canvas footwear. Plimsolls of cheap varieties up to 24s. (\$5.80) per dozen are made, and the goods that appear next are the expensive buckskin and doeskin upper shoes with crepe soles. The intermediate trade consisting of well-shaped canvas footwear between \$8 and \$15 per dozen f.o.b. is largely in Canadian and American hands.

There are certain predominant types, but the chief classes required are cheap sand shoes with either a black or white sole, at approximately 75 cents per pair f.o.b., the same shoe in a crepe sole at something under \$1 per pair, and ladies' slipper lines at slightly higher prices. There is, of course, considerable import of specialties as well, but these three types probably account for 80 per cent of the intermediate trade which Canada and the United States supply.

The appearance of American and Canadian shoes sells them over plimsolls, which are crude and shapeless. Various expedients are adopted to improve the appearance of the former, and one or two American lasts and qualities are so popular that it is practically necessary to copy these shapes in order to place goods upon the South African market.

Among the characteristics of these American lines are the following: pure white foxing; long vamp; clear rather than muddy crepe; canvas, well stiffened with paste; eyelets matching foxing; and a smooth-tongue junction in the instep of the shoe. There is no sale for other than Oxfords in this footwear and carton packing is necessary.

OTHER RUBBER FOOTWEAR

There is a small sale of goloshes in South Africa, but this trade is not nearly as developed as might be expected. The business has clung to British suppliers, as the trade is largely in women's lines, and the British goloshes are supposed to fit British shoes better than those supplied by other countries. During the past year a considerable proportion of the total golosh business has been placed in France owing to depreciated exchange, which has permitted one or two French manufacturers to quote very attractive prices. American goloshes are likewise seen, but are not in any particular demand.

A secondary rubber footwear trade of considerable importance is in rubber boots of the Canadian lumberman type for use in the mines. The knee or thigh boot have little or no business, but rubber ankle boots constitute a considerable trade in a number of the cheaper varieties. Canadian firms are well situated in this business at present, supplying a shoe very similar to the Canadian lumberman ankle boot, laced without metal clasps, with an attached heel, and a fairly thick sole. In one of the best-known lines the thickness of this sole is accentuated by a turned over welt, which gives the impression of the sole being much thicker than it is.

UNITED KINGDOM TRADE CONDITIONS

TRADE COMMISSIONER HARRISON WATSON

London, March 15, 1926.—The decrease in unemployment which continued throughout February, and other similar signs, point to a gradually improving trade position. The chief feature of uncertainty is the coal industry, which at the present time is receiving temporary assistance in the shape of a Government subsidy. The Royal Commission appointed to investigate the condition of this industry, which was threatened with a breakdown last summer, has just presented its report to the Government, and the prosperity of the country in the immediate future will in an important degree depend upon the result of the negotiations now proceeding between the Government, the mine owners, and the miners with a view to re-establishing this vital industry upon the basis of the commission's recommendations.

The foreign trade returns for February show that imports, which were valued at £96,845,012, declined by £20,844,438 as compared with January, while British exports increased by £2,433,770 to £62,814,244.

Contrasted with February, 1925, the figures for this year have dropped by £13,316,440 as regards imports and £6,516,111 as regards exports. In the interval, however, prices have fallen by 12 per cent, so that the actual volume of overseas business has not diminished.

A more encouraging situation appears to exist in iron and steel, which have been particularly depressed for some time past, the tonnage of exports having risen by 13.5 per cent over those of February, 1925.

So far as imports are concerned, the reduction is spread over most items. Food, drink, and tobacco were lower than a year ago by £4,911,521, raw materials by £6,279,445, and manufactured goods by £1,896,770.

INCOME TAX LIABILITY OF NON-RESIDENT BUSINESS FIRMS TRADING IN THE UNITED KINGDOM THROUGH AGENTS

TRADE COMMISSIONER HARRISON WATSON

London, March 12, 1926.—Referring to the report published in the *Commercial Intelligence Journal* for January 2, 1926 (No. 1144) dealing with the above subject, two judgments have just been rendered in the English courts, on appeals by overseas firms conducting an export trade to the United Kingdom, disputing their liability to the payment of United Kingdom income tax through the medium of their resident representatives. These judgments are interesting because they afford a practical illustration of the application of the law to individual cases, and throw light on the official interpretation of certain terms used in the regulations. One of the appellants, moreover, is a well-known Canadian exporter.

The first case concerned an Italian silk manufacturer doing business through a London firm who also act for other foreign houses. According to the facts submitted to the court—as taken from the *Times* Law Report—the manufacturer possessed no office or staff in the United Kingdom, neither had he any name plate or room in the London firm's office. He did not advertise and he did not maintain a banking account in the United Kingdom. The agents had no written agreement with, neither did they hold a power of attorney from, their principals. No authority to accept orders on behalf of the manufacturer was vested in the agents, but from price lists sent from Italy they were enabled to quote prices to intending customers. The London firm carried no regular stocks, but goods were always delivered to them for distribution to customers. The agents' remuneration was 3 per cent commission, but they were not responsible for bad debts. Customers paid by cheque to the order of the London firm, who issued the accounts and receipts upon behalf of their principal, and deducted their commission and expenses from the moneys received. The manufacturer instructed the agent as to the disposal of the remaining funds.

The judge ruled that the Italian manufacturer did exercise a trade in the United Kingdom within the meaning of the income tax legislation, stating that "no contract was made until the act was done by the London firm putting a letter in the post office in England. That meant that the contract of sale was made in England by a non-resident trader." The manufacturer was thus held to be liable for income tax and the appeal was dismissed.

The second case related to a Canadian packer of bacon and hams trading in this country through an English firm. The packer consigned goods to the agents in England who arranged the sales c.i.f. The packer drew upon the agent for a sum representing what the goods might fetch and discounted the bill in Canada, while the agent collected the money from the purchasers.

The judge decided that the fact that the English firm accepted a bill by which the packer obtained his money differentiated their position entirely from that of a "general commission agent" within the meaning of the Act, and whose principal would be exempt. There was also a finding by the tax authorities that the agents invoiced and sold the goods in their own name, which, the judge stated, seemed to show that they were "an authorized person carrying on the business of a non-resident person in this country."

In this instance also, the profits of the Canadian shippers were held to be taxable.

The firms concerned have the right to appeal from these decisions to the Supreme Court of the House of Lords, but the details of the cases provide concrete examples of the point of view adopted by the Income Tax Commissioners in administering the regulations.

SOUTH WALES HAY TRADE AND PRICES

TRADE COMMISSIONER DOUGLAS S. COLE

Bristol, March 11, 1926.—Cardiff is the distributive centre for hay supplies for South Wales. The bulk of such shipments go up the valleys to the Welsh collieries, where large numbers of pit ponies are used in the underground workings.

Imports of Canadian hay have not been large this season owing to low prices prevailing subsequent to an excellent and abundant West of England crop. Another cause of smaller hay imports has been the shutting down of many pits in the Welsh valleys and the consequent turning out of the pit ponies to pasture. Such Canadian supplies as arrived have been mostly of an inferior quality and shipped on consignment, which method invariably results in losses for the Canadian shipper.

ENGLISH PRICES

The principal source of supply for South Wales is Wiltshire, Somerset, and Berkshire, which counties produce clean sound clover mixture in large quantities. Wiltshire supplies are being purchased in the stack at £3 1s. 3d. (\$14.90) to £3 4s. (\$15.33) per ton of 2,240 pounds. To this price must be added cutting, 9s. (\$2.19) to 10s. 9d. (\$2.61). Carriage to Cardiff is approximately 17s. (\$4.13) to 18s. (\$4.38). For such English supplies shipped by rail there is a through rate from Cardiff to the collieries of 2s. 6d. (60 cents) to 3s. (73 cents) and up. Thus the delivered price at the collieries will be about 93s. (\$22.62) to 97s. (\$23.59).

A specific example is a shipment of good quality high-grade clover mixture shipped from Eddington.

	£	s.	d.
Cost price hay in stack	3	1	3 (\$14.90)
Cutting	0	10	0 (2.43)
Rail to Cardiff	0	18	0 (4.38)
Price d/d f.o.r. Cardiff	4	9	3 (21.71)
Through rail rate to port	0	4	0 (0.96)
English hay d/d pit	4	13	3 (22.67)

SHARP COMPARISON WITH CANADIAN PRICES

Compare this with Canadian supplies from Prince Edward Island, where supplies can be bought from the farmer at \$10 to \$11 per ton of 2,000 pounds.

The rail rate to Halifax will average 30 cents per 100 pounds; ocean rate to United Kingdom 30 cents to 40 cents per 100 pounds. Eliminating handling and insurance charges, this will mean a shipper's first cost of at least \$24 per ton of 2,000 pounds, or \$26.88 per English ton of 2,240 pounds, the equivalent of more than £5 10s. (\$26.76).

Montreal hay exporters are offering a good clover mixture at 98s. (\$23.84) to 105s. (\$25.54) c.i.f. Cardiff, and to this cost must be added dock charges and rail expenses of 11s. 6d. (\$2.79) to 12s. (\$2.92).

The above figures clearly show the impossibility of selling at present prices good quality Canadian hay in South Wales in competition with English supplies.

Owing to heavy rail charges, no large shipments of West of England hay have gone to the North of England and Scotland, where the colder weather has necessitated farmers using their hay for their sheep and cattle. Certainly prices have been better in the northern markets than in South Wales.

UNSATISFACTORY CONSIGNMENT BUSINESS

The consignment of Canadian hay to the West of England and South Wales has been most unsatisfactory. The writer has several times in the past three

years called attention to the fact that English brokers will not fight for the last few shillings per ton when supplies are on consignment rather than sold on a c.i.f. basis. Worse than that, supplies are occasionally consigned to a Liverpool broker for Avonmouth or Cardiff delivery and every local dealer is offered these supplies by postcard or telephone. Prices naturally drop, and a recent case occurred where a Cardiff broker finally bought a parcel of Canadian hay from Liverpool at 75s. (\$18.25) c.i.f. after it had been refused by many local firms. Such a shipment means that the Liverpool and Canadian brokers get their commissions, and the Canadian owner practically nothing.

Such consignments are often of inferior quality and the reputation of Canadian hay which is sold as "good timothy and clover mixed" has somewhat suffered this year in that regard.

CANADIAN GRADING

Many disputes have in the past arisen over unsatisfactory prices obtained for Canadian hay on consignment, and always the reason assigned (often justifiably so) is poor quality. South Wales dealers have been provided with copies of the Dominion Inspection and Sales Act dealing with hay inspection and various grades as published by the Department of Trade and Commerce.

Canadian hay is not sold in South Wales on Canadian Government grading.

NORWEGIAN SUPPLIES OFFERED

There are Norwegian offers of prime clover mixture, the quality of which is spoken of highly by the trade. Prices are £5 10s. (\$26.76) to £5 15s. (\$27.98), which is far too high in competition with Wiltshire supplies, and no trade has resulted.

SHIPMENT OF CANADIAN LIVE HOGS TO BIRKENHEAD

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, March 18, 1926.—The recent arrival at Birkenhead of a consignment of 501 live hogs from Canada marks a new development in the shipment of live stock to this country from the Dominion.

Of the total shipment of 501 pigs, 490 were landed alive and in good condition. The weights were also quite satisfactory, averaging from 100 to 180 pounds, and the prices secured were from 1s. to 1s. 0½d. per pound deadweight.

According to dealers interviewed, considerable interest was shown by the buyers, and although high freight rates may be an obstacle, there are indications that this trade may develop if the quality of this trial shipment is maintained. It is understood that further shipments are expected.

PRODUCE MARKET IN GLASGOW

TRADE COMMISSIONER G. B. JOHNSON

BUTTER

Glasgow, March 11, 1926.—The market during the past two weeks has been erratic. Australian and New Zealand butter shows no great change, although the demand has been poor and prices have receded from 4s. to 6s. in the case of New Zealand and 2s. in the case of Australian. Danish butter, which two weeks ago advanced appreciably, has collapsed and at the present time is down 18s. to 20s. as compared with a week ago. The Swedish product, which has been arriving in large quantities, influenced the market in the direction indicated. The fact is that the present supplies are in excess of the consumptive demand, and the easing of prices is necessary so that the public will be induced to buy more freely.

New Zealand.—Arrivals have been very small. The market is slow and operators are showing little disposition to buy. Prices, which were well maintained for ten days, have recently given way, and values are considerably lower. To-day's quotations are: choicest salted, 168s. to 170s.; exceptionally, 172s.; unsalted, 172s. to 174s.

Australian.—Recent arrivals amount to about 47,000 boxes. The demand for this grade has remained quite good. The buyers are aware that the goods are being sold as nearly as possible on arrival. Figures, however, are slightly lower: choicest salted, 162s. to 164s.; unsalted, 164s. to 168s.; second grade salted and unsalted, 156s. to 160s.

Argentine.—Arrivals have been in the neighbourhood of 56,000 boxes. Prices are easier, but the demand is nevertheless quite slow. Choicest unsalted, 152s. to 156s.; exceptionally, 158s.; finest salted, 156s. to 160s.; good to fine, 146s. to 150s.

Danish.—Last week's arrivals are not cleared, a fair quantity having been carried forward. Spot values are 190s. to 185s. f.o.b. Quotations started at 195s. to 197s., which showed a considerable reduction as compared with the previous week. Buyers were not prepared to pay even these figures and finally 186s. and 184s. were being quoted. Exceptionally, 180s.

Swedish.—The quantity coming forward continues large. Demand for this grade is quiet, and arrivals are not all cleared. Last week's spot values ranged from 184s. to 190s. Last week's quotations were 175s., 176s. f.o.b.

CHEESE

During the past two weeks prices have fluctuated slightly, but there is very little change one way or the other. The arrivals from New Zealand and Australia during the next two months will be insufficient to meet the demand, and prices are likely to improve. Matured home cheese is very scarce and commands extreme prices.

New Zealand.—From this country about 26,000 crates have recently arrived, but the trade is slow. Values during the past few days show a reduction of about 2s. To-day's prices are: choicest coloured, 99s., 100s.; choicest white, 97s., 99s.

Australian.—Nearly 4,000 crates have arrived from the Commonwealth. The demand is slow and prices are inclined to move in buyers' favour. Choicest coloured, 96s. to 98s.; white, 96s. to 97s.

Canadian.—Owing to the scarcity of stocks the market is firm with a moderate demand. Finest white, 108s. to 110s.; coloured, 108s. to 110s.

Dutch.—Demand continues very quiet. Prices are easier. Goudas full cream, 93s. to 97s.; Edams, 20 per cent 54s., 30 per cent 68s., 40 per cent 82s.

BUSINESS CONDITIONS IN SCOTLAND AND NORTHERN IRELAND

TRADE COMMISSIONER G. B. JOHNSON

Glasgow, March 15, 1926.—The improvement in trade noted at the opening of the year continues in Scotland and Northern Ireland. A certain amount of anxiety is in evidence on account of threatened trouble in the engineering industry; and there is also the problem of the coal industry to be solved before real confidence in British industry is restored.

The outlook in the iron and steel trade is better and the heavier demand for most kinds of material is being maintained. Important contracts have been secured by Glasgow and Motherwell firms in which large quantities of iron and steel will be required. West of Scotland steel manufacturers have naturally

benefited largely by the numerous contracts placed with Clyde firms for new ships since the opening of the year, but these will have to be increased considerably before the steel mills making plates and sections can be employed to their full capacity. Nevertheless the whole industrial situation looks decidedly more hopeful than it did a few months ago, or than it has appeared for the past five years. Business in pig-iron is moderate; that in black and galvanized sheets is active.

Other important contracts are reported which will benefit the engineering industry. A firm in Motherwell have received an order from one of the great railway groups for 300 under-frames for freight cars, 100 cattle trucks, 200 mineral trucks, and 500 steel-frame freight cars. Another firm in Wishaw are to build 100 freight cars and 100 cattle trucks. Contracts of considerable value have also been placed with makers of motor trucks in Scotland. Tenders are invited for the construction of the remaining three sections of the great new Glasgow-Edinburgh highway. The Corporation of Glasgow are also inviting tenders for the construction of a reinforced concrete bridge in the western section of the city over the Kelvin river.

Several new contracts for ships have been given out, but fewer orders have been placed during the past few weeks than was the case about a month ago.

There has been a notable improvement in the condition of the Scottish tweed trade during the past week or two, and a much healthier tone is in evidence. The principal demand is for fine botany worsteds and fancy cheviot cloths.

The linen industry in Northern Ireland is improving, a steady expansion in the demand for finished linen goods of all classes being noted.

AGRICULTURAL RETURNS FOR NORTHERN IRELAND, 1925

TRADE COMMISSIONER G. B. JOHNSON

Glasgow, March 12, 1926.—A statement has just been issued by the Government of Northern Ireland giving information concerning the crops of this province for 1925. Only those products which are likely to be of some interest to exporters in Canada are included in this report.

Wheat.—The area under wheat declined by 1,350 acres in 1925, and registered a new low record of 3,668 acres. The total production, however, declined by only 17.5 per cent as compared with a reduction of 27 per cent in the area under crop, as the average yield rose from 16.8 to 18.9 cwt. per acre. The yield in 1925 was 1.1 cwt. above the average of the ten-year period 1915-24, and was the highest since 1917.

Oats.—The total production of oats in 1925, 5,473,000 cwt., was slightly greater than in 1924. This was entirely due to an increase of nearly a hundred-weight in the average yield per acre, from 16.1 in 1924 to 17 cwt. in 1925, as the area declined by 11,000 acres and was the lowest ever recorded in Northern Ireland. The average yield, on the other hand, was the highest since 1918, and was 1.1 cwt. above the decennial average for the period 1915-24.

Barley.—Although the area decreased slightly in 1925, the total production of barley was 44,600 cwt. as compared with 39,800 in 1924. The yield of 19.3 cwt. per acre was the highest since 1917, and was 2.6 cwt. above that of 1924 and 2.2 cwt. above the average for 1915-24. Prices have been extremely low, and in consequence many farmers have been using their barley for consumption on the farm, and the prospect of the area under this crop being maintained this year will largely depend upon their willingness to grow the crop for feeding purposes.

Hay.—In 1924 the total production of hay, 1,080,000 tons, was the highest ever recorded in Northern Ireland. In 1925 there was an increase of practically 6,000 acres in the area under this crop, but the total production was slightly less

than in the previous year, amounting to only 1,053,000 tons. The yield of rotation hay in 1925 was almost a quarter of a ton per acre less than in 1924, but that obtained from permanent meadows, which were not cut until after the rains of July, was slightly better than in the previous year. The quality of the 1925 crop is much better than that of 1924. This crop was very poor, and was largely responsible for the heavy losses of stock experienced last winter when, owing to the comparative failure of the turnip and mangel crops, it was in many cases the only winter feed available for cattle. As a consequence many contracted intestinal disorder, and an abnormally high mortality was experienced.

Flax.—The estimated production of flax in 1925 was practically identical with that of 1924, although the area under this crop had declined by 5,000 acres. The average yield per acre, however, was a trifle over 3 stones (stone is 14 pounds) better than the poor yield of 1924, and was $1\frac{1}{2}$ stones better than that of the average for the 1915-24 period. Compared with the average yields which were obtained prior to the great increase in flax production which took place during the war, however, the yield of flax still continues to be poor.

With the exception of hay, it will be noticed that every crop in 1925 gave a better yield than in 1924, and further that in every instance the 1925 yield was above the average yield for the ten years 1915-24. With the exception of hay, as above mentioned, and also with that of wheat—in which case the decline in area more than counterbalanced the increase in yield—this has meant a greater aggregate production of all crops. The average price of each crop is materially below that which was ruling a year ago, and in many instances the decrease in price is quite out of proportion to the increase which has occurred in total production. It is probable that the total income realized by farmers from the direct sale of their crops will this year be appreciably below that realized a year ago. Against this loss, however, have to be offset the advantages which accrue from an abundant supply of home-grown feeding stuffs.

TRADE OF NEW ZEALAND FOR 1925

TRADE COMMISSIONER C. M. CROFT

Auckland, February 24, 1926.—Preliminary trade returns for the twelve months ended December 31, 1925, as supplied by the Dominion Statistician of New Zealand, show that the total overseas trade of that Dominion amounted to £107,718,679, a total which has only once been surpassed. The imports were valued at £52,456,407 and the exports at £55,262,272, leaving a balance of trade in favour of New Zealand of £2,805,865 as against £4,085,104 in 1924. This fall in the favourable balance has been the subject of much comment, and many prominent officials as well as influential organizations are strongly recommending a curtailment of imports, particularly so far as articles of the luxury class are concerned.

Exports show an advance of £2,649,561 over the previous year, and are the highest yet recorded. This increase is largely accounted for by the higher value of wool—a rise of £2,471,374 over the year. Butter shows a decline of over £1,000,000, due to lower prices. Cheese exports decreased nearly £1,225,000. Frozen meat showed an advance all round, and the value of most of the exports increased appreciably. British countries accounted for 86.13 per cent of the total, and imports from the Empire 72.95 per cent. These figures illustrate in a striking manner the strong sentiment in favour of inter-Empire trade which pervades New Zealand.

Canadian Trade with New Zealand

Detailed statistics of the trade between Canada and New Zealand are not yet available, although unrevised figures of the imports of Canadian com-

modities are at hand. Canadian goods exported to New Zealand were valued at £3,914,706 in 1925 as against £3,973,639 in 1924, a decrease of £58,933. The total value of the imports from all countries was £52,456,407 in 1925 as against £48,527,603 in 1924, or an increase of slightly more than 8 per cent. Canada's proportion in 1924 was 7.9 per cent, but last year the percentage was down to 7.5. As imports of motor vehicles decreased by £534,342 in 1925 against those of the previous year, and oats by £118,765, it is apparent that the shrinkage has by no means been general, but on the other hand has been confined to a few commodities. Canada still enjoys the distinction of being New Zealand's fourth largest supplier, and is herself New Zealand's fifth best customer.

PRINCIPAL INCREASES AND DECREASES

The following are the principal increases and decreases for the year 1925:—

Increases.—Fish, preserved, £19,620; chocolate, in fancy packages £11,514, in plain trade packages £4,432; oats, ground, manufactured, £4,008; onions, £9,800; hosiery n.e.i., £10,049; gum boots, £5,859; boots n.e.i., £11,809; iron and steel—bar, bolt, and rod, £55,711; pig lead, £6,673; fencing staples, £6,979; wire—copper, £8,060, iron n.e.i., £9,574; electric cooking and heating appliances, £11,682; batteries and cells, £5,114; generators, motors, etc., £5,442; appliances n.e.i., £18,299; gas and oil engines, materials and parts, £6,856; hose tubing and piping, £4,502; belting other than leather, £11,952; timber, rough sawn—ash, hickory, etc., £26,657, hemlock, £4,470; timber, dressed—hemlock, £8,029; furniture n.e.i., £5,042; printing paper, newsprint, £9,730; asbestos sheets, slates and tiles, £6,264; chassis for passenger vehicles, £122,638; tires for motor vehicles, £350,904; materials and parts of motor vehicles, £19,373.

Decreases.—Oats, £118,765; seeds, cocksfoot, etc., £10,658; apparel n.e.i., £4,814; cotton piece goods, £3,263; hardware n.e.i., £7,469; tubes, wrought, under 6 inches in interior diameter, £8,491; wire—fencing, barbed, £4,389; fencing, plain, £4,772; other, plain, £14,634; metal manufactures n.e.i., £21,318; electrical insulated wire and cable, £9,634; timber, rough sawn—Douglas fir, £28,454; oak, £5,554; doors and sashes, £13,763; sensitized surfaces, £4,799; passenger vehicles other than busses, £534,342; chassis for lorries, trucks, vans and busses, £16,913.

NOTES ON CERTAIN CANADIAN IMPORTS

Fish.—The imports under the heading "preserved fish" show an increase of £19,620; this sum is made up largely of salmon, pilchards and sardines. So far as salmon is concerned, all the packers are represented satisfactorily in New Zealand. Canned pilchards are increasing in popularity and, while no statistics are available, it is understood that the importations have been greater than was the case last year. The New Zealand Government, guided by the decision of the English courts, ruled that this fish packed under the name "sardine" could not be sold at such in this Dominion. Representations were made to the Customs Department, and as a result the young herrings canned and labelled as sardines may now be imported and sold.

Confectionery.—Canadian chocolates still retain their position in this market; imports in fancy packages have increased by over 90 per cent during the year. Practically every manufacturer is represented in this country. Some quantities of bars, etc., have been sold, but the trade in this direction is relatively small owing to local and Swiss competition. New Zealand manufacturers are steadily improving their lines, and within the last twelve months a considerable difference in quality has been apparent. Canada occupies premier position so far as the fillings are concerned.

Apples.—The usual seasonal trade in apples has been maintained, and, speaking generally, the quality has been excellent.

Oats.—The imports of Canadian oats have dropped very decidedly: by £118,765. This sharp decrease is explained by the larger local crop and the lower price for Australian than for Canadian oats.

Onions.—Larger quantities of Canadian onions were sold during the past year than in 1924, the increase being £9,800. The quality has been all that could be desired and the packing vastly superior to that used in 1924.

Wearing Apparel and Hosiery.—The imports of Canadian wearing apparel have decreased, while hosiery imports have increased. Several new lines of Canadian apparel have appeared on the market, including two well-known lines of soft collars. Local mills are supplying a large proportion of the gentleman's furnishings. Canadian-made ladies' hosiery is quite popular, particularly in silk and artificial silk.

Electrical Equipment.—It is encouraging to observe that the imports of various electrical goods from Canada have increased, particularly electrical stoves and ranges. All the manufacturers who are able to cater to this market have representation in New Zealand. The development of hydro-electric power under the Government scheme is making good progress, and it is now only a matter of a short time before every centre in the Dominion will have electric energy and already in many sections the farmers are using electricity very extensively.

Lumber.—The total imports of Canadian lumber have changed very little. Cedar has been coming in larger quantities, while Douglas fir has shown a decrease. There has been one serious complaint in connection with Western red cedar, namely, that Canadian exporters fail to supply the best quality. Most of the complaints have related to shipments originating in the United States, but the fact remains that the timber has been known as "Western red cedar" and importers do not differentiate. In more than one case pieces have come forward badly damaged by the borer.

Doors and Sashes.—The market for doors and sashes has decreased somewhat owing to the strenuous efforts of local manufacturers to secure control. Locally-made doors have been selling at less than Canadian. New Zealand manufacturers have installed more up-to-date equipment and have thereby been enabled to reduce their costs.

Paper.—The imports of newsprint have increased considerably due to the greater success of Canadian manufacturers in the tenders for the supply of paper required by the Newspaper Proprietors' Association. In kraft paper Canadian manufacturers have been able to compete quite successfully with European: the most serious opposition is from local mills.

Musical Instruments.—Canadian firms have been securing a fair proportion of the trade in musical instruments, including pianos, player pianos, and gramophones. Many Canadian manufacturers are represented in this market. The chief competitor in pianos is England, and in player pianos the United States. Player pianos have been sold in direct competition, but with the proposed increase in freight rates from \$12 to \$18 per cubic ton it is feared that the situation may be altered. Local firms are importing considerable quantities of gramophone motors and tone arms and are assembling and completing the manufacture of gramophones in New Zealand. This has of course affected the import trade in the finished article.

Motor Vehicles.—The imports of motor vehicles from Canada have dropped very suddenly—by £534,342 in 1925—with a resultant effect on the total volume of trade. This is accounted for by the fact that the new models of several makes of automobiles have recently come from the United States. With the erection of plants of the Ford Motor Company and the General Motors Corporation in Australia and New Zealand, the future is somewhat hard to predict, but it must be anticipated that the imports of motor vehicles will drop still further.

NEW ZEALAND DAIRY BOARD

From next August the New Zealand Dairy Board will control all sales of dairy produce, says the *London Times Trade Supplement*. Shipping arrangements will be supervised to ensure regular deliveries and to protect the quality of the produce. Independent sales by factories are prohibited, but forward sales may be made by the board if it is proved that this will stabilize prices. Distribution will be continued through the present merchants, whose allocations will be based on their average for the past three years, such allocations being covered as usual by letters of credit. Produce unsatisfactorily handled by one merchant may be transferred to another on adjustment of the finances involved. The producer will be paid by quality as determined by London realizations. All first-grade produce will be packed under a registered national brand, which will be extensively advertised.

The board states that it has no intention of interfering with economic factors affecting the market level. The London agency, in conjunction with the distributors, will arrange the daily price level, which must be kept at sales point in order to enable business to be done.

AUSTRALIAN FINANCIAL AND COMMERCIAL CONDITIONS

C. HARTLETT, OFFICE OF THE TRADE COMMISSIONER

Melbourne, February 24, 1926.—Generally speaking, trade conditions in this territory have undergone very little alteration during the past two or three months. The dry weather experienced for some months had a very adverse effect on the grain harvest which has just been completed, as well as on dairy production. This is naturally responsible for some quietness of trade, particularly in the country districts. Banking advances are perhaps not quite so freely obtainable as in December, but in the aggregate traders are reporting an average turnover for this time of the year.

The Commonwealth revenue continues to be very buoyant, the Treasurer reporting a surplus of £5,334,786 for the six months ended December 31, 1925, which was £1,016,328 more than what was received during the corresponding period of the previous year.

The large Commonwealth loan of £68,000,000 at $5\frac{1}{2}$ per cent interest having been satisfactorily disposed of in December, applications are now being invited for a further loan of £5,100,000 at $5\frac{1}{4}$ per cent which is being raised by the Commonwealth Government on behalf of the various states for public works purposes. Owing to the abundance of money available for gilt-edged securities of the kind, applications for the bonds of this second loan are reported to be coming in so freely that the announcement of its closing date is shortly expected. All the listed Commonwealth loans bearing over 5 per cent interest are now much above par in value. Those returning $5\frac{1}{2}$ per cent are at a net premium of from 13s. to £1 18s., according to date of maturity, and for 6 per cent bonds the price is from 16s. to £4 3s. 9d. over the face value of each £100 bond, the latter price being obtainable for the longer dated securities due in 1937.

OVERSEA TRADE RETURNS

The overseas trade returns for the six months ended December 31, 1925, which have just been made available, show total imports to the value of £76,775,924 and exports valued at £72,458,988. Compared with the corresponding period of last year there was an expansion of £2,056,683 in the imports and a contraction of £4,089,919 in the exports, so that trade has been adversely affected to the extent of £6,146,602. In the imports, tobacco, rubber and rubber

goods, timber, printing, wrapping and writing papers, oils, jute bags, and motor chassis show substantial increases, while machinery (except agricultural), electrical appliances, woollen textiles, woollen yarns, and iron and steel products were much less in value. The contraction in the exports is largely attributed to the decline in the price of wool and the effect of the adverse weather conditions on agricultural and dairy production.

DRY WEATHER CONDITIONS

The continued dry weather is giving rise to fears in many quarters that a drought is impending. No general rains have fallen since November last. These were badly needed at the time and saved large areas of crops from total extinction. Owing to the lack of rain the ground is in a very parched condition in the southerly portion of the continent, and the community is anxiously awaiting the autumn rains in March and April to relieve the situation.

These dry conditions have been the cause of disastrous bush fires breaking out recently within 100 miles of Melbourne. They were the worst recorded in the history of the state and resulted in the loss of thirty-one lives and great destruction of forests, timber mills, farm houses, grass, stock, and fencing. Public appeals for financial assistance to repair the losses are meeting with a generous response, nearly £100,000 having been collected within the past seven or eight days, and in addition the Government will probably also expend at least a similar sum in relief measures.

WHEAT AND FLOUR

Most of the surplus of wheat has been exported or sold for export, and at the present time, although there is still a little available for shipment, there are few sellers and the prices being asked are well above London parity. These conditions are purely local, however, owing to the poor harvest last season, which was 30 per cent less than the previous year. Practically only about 55,000,000 bushels were available for shipment as against 90,000,000 bushels the previous season. Japan has been buying very heavily, and up to the present it is estimated that about 11,000,000 bushels have been sold in that direction. There has been very little demand from other countries. Prices are nominal only and to-day are from 6s. 4d. to 6s. 4½d. per bushel f.o.b. Australian ports with very few sellers.

The oversea demand for flour is poor. A few weeks ago there was a fair demand from Egypt, but this has again fallen off. It is considered that the lower wheat values ruling in overseas markets have caused buyers of flour for export to hold off until the market turns and a better demand arises. At the time of writing buyers are only contracting for immediate requirements and no forward business is being done. To-day's prices are £13 per ton of 2,000 pounds for sacks of 150 pounds gross, £13 5s. for bags of 101 pounds (for Africa), and £13 17s. 6d. for calico bags of 49 pounds. These prices are f.o.b. Australian ports.

While the oat harvest turned out better than was expected in October, the position is still unsettled owing to the continued dry weather and the likelihood of hand feeding of stock having to be resorted to within the next month or so if rains do not fall in the meantime. Prices of Canadian oats have been submitted to dealers, but are higher than the present demand warrants, hence importers are still negotiating in preparation for the increased demand that will arise in the absence of good rainfalls in the near future.

BUTTER PRODUCTION AND EXPORT

As with grain, butter production has also felt the effect of the adverse weather conditions and exports have been on a much lower scale than during the previous season. At present most of the choice grades have been shipped

abroad, and very little is available except low grades in Victoria and limited quantities of best qualities in New South Wales and Queensland. From July 1, 1925, to February 13, 1926, the total Australian butter exports have amounted to 1,191,218 boxes of 56 pounds each, which compare with 1,702,256 boxes during the corresponding period of last season. Of this season's exports about 8,500 boxes have gone to Canada since January 1, but in the opinion of exporters this business was due to a temporary shortage of supplies in the Dominion and, even with the help of the tariff preference now extended to the Australian product under the treaty recently enacted by both countries, they do not look for a permanent market there.

THE "PATERSON SCHEME"

An unusual feature of the present Australian butter situation is the operation of the "Paterson Scheme", which went into force at the beginning of the present year and in which all the states excepting Western Australia and Tasmania have joined. Those states, however, do not export to any extent and their inclusion is not essential to the success of the scheme. It is purely voluntary and provides that producers shall contribute to a general fund controlled by a central committee the sum of 1½d. per pound on all butter produced, and in return receive a bonus of 3d. per pound on the proportion exported. As the price for local consumption is based on London export parity, the price to the Australian consumer is also raised to the extent of the export bonus. On 100 pounds weight of butter, for instance, the producer provides 12s. 6d. which he receives back on 50 pounds exported in the form of the bonus; and on the other 50 pounds also receives 3d. per pound above ordinary export parity, thus clearing 12s. 6d. more by the transaction than he would have received under the ordinary law of supply and demand. The scheme is said to be working to the satisfaction of every one concerned except the householder, who has voiced his protest against the scheme without avail. It is intended to also apply the same principles to the cheese industry, and negotiations are now proceeding with producers of that commodity with that end in view.

APPLE PRODUCTION

This season's apple production is officially estimated at 6,500,000 bushels as compared with 5,842,278 bushels last season, and exports at 2,000,000 bushels as against 1,646,488 bushels. Shipments are now leaving for the United Kingdom, but owing to the recent investigations made in that country on the use of arsenic preparations for orchard spraying purposes, shippers are somewhat perturbed at the possibility of official restrictions against these importations and the prejudice which may have been created in the mind of the buying public by press reports on the subject.

WOOD DISTILLATION PLANT ESTABLISHED IN BRITISH MALAYA

The first wood distillation plant in the Malaya Archipelago is now being erected in the State of Pahang, where the promoters have a large concession, says the *London Times Trade Supplement*. Charcoal is the principal product, and there is, of course, a large market for it in Malaya, which at present imports something like half of the quantity consumed every year.

An important product of the distillation is acetic acid, which is used in very large quantities by the Malayan rubber industry for coagulation of latex. Other products comprise tar, wood preservatives and polishes, creosote oils, wood oils, methyl alcohol, and disinfectants. The plant, which is necessarily somewhat extensive and complicated, is being erected under the supervision of three European experts, while the company also has a chemist on the staff to do research work. All kinds of woods are usable, and the process is well adapted for use in the Malayan jungle, in which so many species of trees are unsuitable for other purposes. It is hoped to market most of the chemical products locally.

KENYA AND UGANDA TRADE IN 1925

The Commissioner in London for the British East African Dependencies has received a cable from Nairobi stating that imports for home consumption into Kenya and Uganda in 1925 amounted in value to £8,961,448 as against £6,277,907 in 1924, while domestic exports increased from £6,137,000 to £7,821,844, states the *Board of Trade Journal*. The United Kingdom's share of imports declined from 39.53 per cent in 1924 to 38.06 in 1925, India's from 12 to 11, Japan's from 6 to 4, and Germany's from 6 to 5, while Holland's share remained stationary at 5 per cent. As regards domestic exports, the percentage quantity increase in maize was 5, cotton 53, and sisal 25, but coffee exports declined by 10 per cent as compared with 1924.

PRESENT CONDITION OF THE CHILIAN MARKET

TRADE COMMISSIONER E. L. MCCOLL

[The subjoined report has been prepared by Mr. McColl after a recent brief visit to Chile on his way to investigate the market for Canadian goods in Peru.]

Santiago, February 24, 1926.—The territory occupied by Chile consists of a narrow strip of land about 100 miles in width situated between the Andes and the Pacific ocean. It extends from the southern extremity of South America northward for a distance of about 3,000 miles and has a superficial area approximating 300,000 square miles. The population, from an estimate of November 1, 1925, numbers 3,941,000.

Santiago, the capital, has a population of 500,000. It is the largest city in the Republic and is the chief distributing centre for foreign imports. Santiago is situated 120 miles by train from Valparaiso, the chief port of the country, in a valley amidst the foothills of the Andes. The journey from Santiago to Valparaiso is made in a modern electric train of steel coaches, including a Pullman, in two hours and forty-five minutes, or at the rate of 45 miles per hour, including stops. This speed is obtained in spite of the tortuous climb, largely to the credit of the efficiently constructed and maintained permanent-way which permits the train to travel at a fast rate without the oscillation so commonly met with on many lines in North America. The railroad is not the standard gauge used in Canada, but is slightly wider, being 5 feet 6 inches from rail to rail. There is 30 per cent of curvature on the line with a non-compensated $3\frac{1}{2}$ per cent grade over the crest 4,000 feet above starting point which is sea level. On passing the divide from Valparaiso the train commences to descend to Santiago, which is at an altitude of 2,100 feet above sea level.

The principal port is Valparaiso, a city of 200,000 inhabitants. The majority of British import merchants have their head offices there, maintaining a branch at Santiago for sales organization and distribution. There is, however, a disposition amongst these merchants to move their head offices to the capital, but the majority are conservative and prefer to remain at the port.

GENERAL CONDITIONS

The year 1925 has been an eventful one for Chile from a political point of view. There have been two bloodless revolutions out of which a new constitution, promulgated on September 18, 1925, has sprung. It replaced the original one of 1833. The last twelve months have witnessed the passing of numerous laws having as their object the betterment of living conditions.

Internal trade is very dull at the present time. The failure of the Banco Espanol de Chile, which stopped payment December 1, 1925, has been a disturbing factor in the situation. This bank commenced operations about twenty-five years ago, its object being to afford facilities to the smaller Chilean, Spanish and foreign merchants in the country. (The other older and more conservative banks handle only large accounts.) This bank had been singularly prosperous and

operated successfully throughout the whole country, and recently had opened a branch in Spain. Speculation by this branch, together with large overdrafts by many of the Chilean directors, used up the capital and the reserve after which the bank found itself in difficulties.

When the bank closed, merchants throughout the country were unable to draw from their current accounts, which spelt disaster to many of them. It is a common practice among the smaller merchants to over-trade, or in other words to carry on business on large credit with small original capital. While the failure of the Spanish Bank of Chile did not affect the British importing merchants so far as their personal bank accounts were concerned, it did cut into their business in a pronounced manner, as their customers were those amongst whom the Spanish Bank of Chile had its ramifications.

The average value of the Chilean peso during 1925 has been at the rate of 8.56 pesos for one Canadian dollar; the highest monthly average, 8.05, was for the month of December. The weakest period was for the month of February, when the average quotation was 9.11. The peso has, therefore, on the whole been gradually strengthening although at the present time it has declined slightly, standing at 8.25.

FOREIGN INVESTMENTS AND INDUSTRIAL DEVELOPMENT

British capital invested in Chile amounts to approximately \$500,000,000. Federal, state and municipal bonds, mines and many other enterprises have been responsible for a rapid increase of United States capital in Chile until it has reached the formidable sum of \$450,000,000, whereas in 1900 these investments did not exceed \$20,000,000. At Valdavia, about 500 miles south of Valparaíso, a Chilean company intends to undertake electrical development at Huilo-Huilo falls, where there is an estimated water-power of several hundred thousand horse-power. The enterprise includes the production of iron and steel from rich ores which are close at hand and the sale of electricity at cheap rates for the development and increase of many other present and projected industries in the vicinity. The undertaking will be in the form of a chartered company called the *Compañía Electro-Siderúrgica e Industrial de Valdavia*. The Chilean government is to guarantee the bonds of the company, the majority of which will be disposed of in the United States. The enterprise will therefore, mean a further investment of American capital in Chile, and is another proof of the confidence which United States business men have in this southern republic—a confidence which has resulted in the United States becoming the leading country of the world in the foreign trade of Chile, both as exporter and importer.

The present government of Chile has as the principal plank in its platform the encouragement and development of the country's industries, especially that of agriculture. At the present time the nation's wealth largely depends upon its mining operations, but the projected electrical development at Valdavia, together with the construction of steel mills, is the principal one of the ambitious schemes which the executive of Chile intends to foster. This undertaking is regarded by the national press as the most auspicious of any that have hitherto been attempted.

Her extensive forests form one of the most valuable resources of Chile, especially those of the provinces of Valdavia, Llanquihue, Cauten and the island of Chiloe. National woods now supply nearly all the requirements of cabinet, furniture and vehicle manufacturers, builders and contractors. Some woods are imported, such as quartered oak for flooring as well as a considerable quantity of Douglas fir, the latter on account of its size and strength for which there is no Chilean equivalent. Chilean forests are now responsible for a growing pulp and paper industry. Until recently the production of pulp and paper has been left in the hands of foreigners, but now Chilean finance and management is taking an active part in the increased development of these two essential commodities.

The manufacture of boots and shoes, begun as a necessity during the world war, has now reached to such perfection in organization, quality of article and mass production, that Chile has become an exporter of these products to all her neighbouring countries.

Coal mining in Chile is increasing and promises to become a most important factor in the development of the country. In the near future it is estimated that her mines will furnish sufficient fuel for all national needs, and in fact even now coal appears in the published statistics as one of the minor articles of export.

A recent road congress has resulted in a revival of interest in the value and necessity of more and better roads. One of the immediate results has been the recent calling for tenders by the government for the construction of a first-class highway between Santiago and Valparaiso. The use of automobiles and trucks has been making great strides not only in urban centres but also among rural communities especially in connection with mines and other industries. At the present time Chile is only exceeded in mileage of first-class metalled roads in South America by Brazil.

FOREIGN TRADE

(All values are given in Canadian dollars)

Imports for 1924, according to the latest statistics available, amounted in value to \$131,000,000, while exports had a value of \$217,000,000. The average values for the five years 1920-1924 were: imports, \$128,000,000; exports, \$196,000,000. The average favourable balance of trade for the five-year period mentioned was \$68,000,000. Although details giving the foreign trade for 1925 cannot yet be obtained, statistics for a few articles given below have just been published:—

ished:—	1925		1924	
	Tons	\$1,000	Tons	\$1,000
Calcium carbide.. . . .	5,272	343	3,192	196
Cement.. . . .	46,604	808	74,597	1,133
Pig iron.. . . .	5,862	467	3,589	177
Corrugated sheet iron.. . . .	4,618	426	3,506	336
Plain sheet iron.. . . .	8,444	632	8,423	511
Bar iron.. . . .	23,817	1,620	38,287	2,325
Printing paper.. . . .	15,516	1,322	15,774	1,439
Sugar.. . . .	110,134	7,618	79,819	6,443
Iron wire.. . . .	10,379	854	12,549	957
	sq. mtrs.		sq. mtrs.	
Pine lumber.. . . .	2,257,727	602	1,843,288	630

The importation of iron wire, bar iron, cement and printing paper for 1925 shows a decrease from the figures given for 1924 while calcium carbide, pig iron, corrugated sheet iron, plain sheet iron, pine lumber and sugar show an increase.

The percentage of total value during 1924 pertaining to the leading countries which traded with Chile is as follows:—

Imports into Chile from—	Exports from Chile to—
United States.. . . . 24% of total	United States.. . . . 42% of total
Great Britain.. . . . 21%	Great Britain.. . . . 32%
Germany.. . . . 14%	Germany.. . . . 6%
Belgium.. . . . 10%	
Other countries.. . . . 31%	Other countries.. . . . 20%
100%	100%

Imports from the United States for 1924 amounted in value to \$31,500,000, while for 1925 they reached \$38,500,000, an increase of approximately 22 per cent. In value lubricating and fuel oils headed the list. Cotton cloth, motor cars and trucks, Douglas fir and galvanized iron sheets were next in importance in the order named.

During the twelve months ending March, 1925, Canadian manufacturers exported to Chile goods to the value of \$776,367. Salmon and structural steel headed the list with 20 per cent each of the total. Sewing machines, calcium carbide, motor cars, wall paper, iron and steel tubing, agricultural machinery, and aluminium products were also important items.

IMPORTS INTO CHILE FOR 1924

Raw Material

Origin or Class of Product	Value in \$1,000	Percentage of Total Supplies by leading Countries.
Mineral	7,969	United States 64
Water and forest.. . . .	1,065	Great Britain 13
Animal.. . . .	2,029	United States.. . . . 74
Agriculture.. . . .	7,425	Peru 5
		Argentina 88
		Belgium.. . . . 4
		Brazil 18
		Great Britain 14
		Italy 12
		United States 35
		Great Britain 12
		Argentina 11
		Other countries 42
Total raw products	18,488	

Manufactured Products

Food.. . . .	9,445	Peru 66
Drinks.. . . .	400	United States 7
Tobacco	59	Great Britain 5
Textiles	37,771	Great Britain 42
Chemicals	10,343	Cuba 75
Metallurgical	14,033	Great Britain 13
Machinery and tools.. . . .	14,629	Great Britain 31
Vehicles.. . . .	11,530	India 17
Not otherwise mentioned	14,075	United States 13
		United States 33
		Great Britain 20
		Germany 16
		Great Britain 27
		Belgium.. . . . 24
		United States 21
		Germany 20
		United States 41
		Germany 25
		Great Britain 22
		United States 35
		Belgium 29
		Germany.. . . . 17
		Great Britain 14
		Germany 35
		Belgium 14
		Great Britain 13
		United States 13
	112,285	
Total raw products	18,488	
Grand total	130,773	
		United States.. . . . 24
		Great Britain 21
		Germany 14
		Belgium.. . . . 10

EXPORTS FROM CHILE, 1924, 1925

The following list gives the chief articles exported during the years 1925 and 1924. The figures given for 1925 are preliminary and subject to revision which will probably result in a slight increase.

Product Exported	1925 Value in \$1,000	1924 Value in \$1,000
Nitrate.. . . .	110,480	116,060
Copper.. . . .	42,134	50,735
Iodine.. . . .	8,652	6,072
Wheat.. . . .	7,778	6,597
Wool.. . . .	7,176	3,884
Iron ore.. . . .	3,618	6,158
Frozen meat.. . . .	3,159	2,393
Borax.. . . .	2,865	2,085
Oats.. . . .	1,287	1,517
Flour.. . . .	1,209	1,120

Nitrate and copper are the chief commodities exported by Chile. Of the total exports for 1924, valued at \$217,000,000, nitrate amounted to 54 per cent, copper in bar and mineral, 24 per cent; total minerals, 85 per cent; total raw products, 97 per cent.

Importing merchants stated that while trade was very dull at the present time, nevertheless all those called upon expressed to the writer a desire to hear from Canadian manufacturers in the form of catalogues, quotations and samples, as it was considered that the present depression could not continue, and that a study of a new source of supply such as Canada would be to the mutual benefit of the traders in Chile and Canada.

There are a considerable number of reliable importing houses of long standing in Chile, and Canadian exporters must make certain that any prospective customer or agent belongs to this class. In a great many cases it is not necessary therefore, when initiating business, to demand cash with order or its equivalent, in some other form of payment. If the exporter does not feel free to offer such terms as a sight draft or ninety days after sight, in his preliminary letter, it is best to leave terms of payment open for arrangement until the article has been examined by the importer. During the interval the manufacturer can obtain a detailed report upon the Chilean firm concerned from his bankers who, without doubt, have correspondents in Chile, or from R. G. Dun, New York. Importers resent the stipulation in preliminary letters of such terms as an irrevocable letter of credit from a manufacturer unknown to them and with whose goods they have had no experience. Canadian manufacturers who are not yet shipping to South America, and whose goods are not accredited there, will find it difficult to initiate business or receive replies to their letters to merchants all over that continent unless they offer to place in their hands samples of the product which is offered for sale.

A list of selected British merchants located in Valparaiso and visited by the writer may be obtained by writing to the Department of Trade and Commerce, Ottawa.

BELGIUM'S FOREIGN TRADE

II

TRADE COMMISSIONER YVES LAMONTAGNE

Brussels, March 13, 1926.—In a previous article (see *Commercial Intelligence Journal* No. 1156) a comparison was made of the value of Belgium's foreign trade in 1925 with that of the five preceding years and 1913, showing that in respect of its aggregate trade it could be said that Belgium had practically regained its pre-war level.

The new classification adopted in the statistics of the country's foreign trade following upon the bringing down of the new Belgian tariff at the end of 1924 makes the comparison of 1925 with 1924 figures impossible and an analysis by commodity groups of the changes which have taken place in imports and exports during 1925, as compared with the previous year, is out of the question.

Belgium's balance of trade in 1925 was unfavourable and amounted to 3,269,569,000 francs, or approximately \$148,616,000. Belgium has a population of 7,684,000 and an area of 11,750 square miles. Its density of population is the greatest in the world and, as mentioned in every Belgian school-book, the country cannot supply its entire needs in foodstuffs. This fact is responsible for Belgium's adverse trade balance, and the life of the country depends on its capacity to transform raw materials into products whose greater value will enable it to purchase its extra requirements of foodstuffs as well as raw materials for its industries. Belgium must therefore be, and is, an important manufacturing country.

The whole story is told in the following table, the figures of which speak for themselves. A glance at the last column will give an immediate idea of what class of goods Belgium is most in need of, these being preceded by a negative sign:—

	1925			1925		
	Quantity		Difference	Value		Difference
	Imports	Exports		Imports	Exports	
	Metric tons			Francs (000 omitted)		
Animals and animal products..	398,958	139,545	— 259,413	2,625,460	1,393,253	— 1,232,207
Vegetable products.. . . .	3,498,248	581,253	— 2,916,995	5,665,509	1,076,822	— 4,588,687
Raw minerals and products..	25,080,381	12,660,927	— 12,419,454	3,341,709	1,229,215	— 2,112,494
Foods, beverages and tobaccos	435,602	352,610	— 82,992	868,809	613,906	— 254,903
Chemical and allied products..	507,045	1,440,853	+ 933,808	528,844	588,997	+ 60,153
Wax and soap.. . . .	4,434	4,313	— 121	20,860	19,691	— 1,169
Hides and skins.. . . .	3,229	14,159	+ 10,930	158,859	364,748	+ 205,889
Textiles and their products..	44,199	146,432	+ 102,233	1,045,516	2,451,269	+ 1,405,753
Clothing and wearing apparel.	12,707	8,422	— 4,285	152,949	219,311	+ 66,362
Wood and its products.. . . .	1,718,219	146,600	— 1,571,619	664,451	140,576	— 523,875
Rubber and its products.. . .	5,091	2,651	— 2,440	119,358	66,208	— 53,150
Paper and its products.. . . .	198,217	54,847	— 143,370	311,032	223,044	— 87,988
Mfrs. of non-metallic minerals	220,524	1,499,486	+ 1,278,962	103,348	872,947	+ 769,599
Glass and glassware.. . . .	22,958	297,862	+ 274,904	34,316	720,713	+ 686,397
Metals and their products.. . .	662,881	3,513,155	+ 2,850,274	945,974	3,428,056	+ 2,482,082
Machinery.. . . .	85,959	162,111	+ 76,152	709,064	653,192	— 55,872
Vehicles other than railway..	24,730	18,911	— 5,819	278,116	209,840	— 68,276
Clocks and scientific apparatus	643	81	— 562	42,736	3,519	— 39,217
Musical instruments.. . . .	940	145	— 795	23,671	2,536	— 21,135
Firearms.. . . .	500	1,216	+ 716	9,789	62,712	+ 52,923
Miscellaneous.. . . .	6,894	27,002	+ 20,108	155,280	195,499	+ 40,219
Total.. . . .	32,932,359	21,072,581	— 11,859,778	17,805,650	14,536,054	— 3,269,596

ORIGIN OF BELGIUM'S IMPORTS

Turning now to the sources from which Belgium obtains its requirements, it is natural that as Belgium is in the very midst of important industrial and commercial countries, it is to be expected that her needs will mostly be supplied by her immediate neighbours. France, the United Kingdom, Holland, and Germany together provided 53.2 per cent by value of Belgium's total imports in 1925, as against 54.8 per cent in 1924. Decreases of 6.4 per cent and 2.5 per cent respectively were recorded in imports from the United Kingdom and France, whereas imports from Holland and Germany increased 5.1 per cent and 1.5 per cent respectively. These four countries are the principal purchasers of Belgium's goods and they together accounted for 58.4 per cent of Belgium's total exports in 1925, compared with 60.5 per cent in 1924. Belgium's exports to Germany and the United Kingdom increased 14.2 per cent and 0.6 per cent respectively, while they decreased by 6.2 per cent to Holland and 4.3 per cent to France.

The situation is shown hereunder:—

	Imports			Exports		
	Francs (000 omitted)					
	1925	1924	Increase or Decrease	1925	1924	Increase or Decrease
France.. . . .	3,726,527	3,823,397	— 96,870	2,154,066	2,251,931	— 97,865
United Kingdom.. . . .	2,232,062	2,385,961	— 153,899	2,925,051	2,908,316	+ 16,735
United States.. . . .	2,173,937	1,955,235	+ 218,702	1,112,893	1,089,706	+ 23,187
Holland.. . . .	1,890,159	1,798,938	+ 91,221	1,600,629	1,705,634	— 105,065
Germany.. . . .	1,640,108	1,615,171	+ 24,937	1,807,351	1,581,953	+ 225,398
Argentina.. . . .	1,420,279	1,463,195	— 42,916	432,098	423,176	+ 8,922
Italy.. . . .	272,915	244,202	+ 28,713	407,208	281,534	+ 125,674
Switzerland.. . . .	164,410	197,600	— 33,190	298,638	357,312	— 58,674
Belgian Congo.. . . .	181,624	131,649	+ 49,975	274,485	190,830	+ 83,655
Other.. . . .	4,103,629	3,965,760	+ 137,869	3,523,635	3,142,112	+ 381,523
Total.. . . .	17,805,650	17,581,108	+ 224,542	14,536,054	13,932,504	+ 603,550

TRADE WITH UNITED STATES AND ARGENTINE

The above table also shows that two other nations play an important part in Belgium's external trade, and both are non-European countries. These are the United States and the Argentine, and as they are in Canada's hemisphere it will be useful, in a subsequent report, to examine Belgium's imports from both these new-world states.

For the present, it may be noted that imports from the United States formed 12 per cent of Belgium's total imports in 1925, while the Argentine's share was 9 per cent. Imports from the United States increased 11.2 per cent as compared with the 1924 figures, whereas imports from the Argentine decreased 1.9 per cent. In the case of Canada's great neighbour, the expansion can be attributed to grain and raw cotton, imports of which increased by 155,000,000 and 63,000,000 francs respectively. The United States took 7.7 per cent of Belgium's total exports in 1925 and the Argentine 3 per cent. Belgium's exports to each of these two countries increased 2.1 per cent during the year.

TRADE WITH OTHER COUNTRIES

Imports from Italy increased 11.8 per cent in 1925 as compared with the previous year, and actually form 1.5 per cent of Belgium's total imports, while purchases from Switzerland decreased 14.9 per cent and form less than 1 per cent of the total imports. Exports to Italy increased 44.7 per cent, while those to Switzerland decreased 16.5 per cent.

Special efforts are being made by Belgium to develop its possessions in Africa, and how successful these are proving can be judged from the notable increase in its aggregate trade with its colony, imports from which increased 38 per cent during 1925 and exports 44 per cent. The Belgian Congo is very rich in natural resources, and there is no doubt that their development will materially contribute to improve Belgium's financial, commercial, and economic situation.

Belgian statistics do not cover comprehensively the nation's trade with countries other than those mentioned in the above table. It may, however, be pointed out that, taken as a whole, trade with these unspecified countries shows a considerable increase both as regards imports and exports, these increases being 3.5 and 12.1 per cent respectively.

NOTE: To convert the 1925 figures into dollars, the average rate of exchange for the year may be taken at 22 Belgian francs per dollar.

GERMAN GRAIN TRADE

TRADE COMMISSIONER L. D. WILGESS

Hamburg, March 10, 1926.—The annual report of the Hamburg Grain Dealers' Association gives some interesting details with regard to the German grain trade during the past year.

The report points out that owing to the financial stringency and decline in consumption, the grain trade has become greatly restricted and is now hardly sufficient to provide a livelihood for the old-established firms, to say nothing of sustaining the firms which have sprung up since the war.

The economic crisis has not only affected the grain trade, but also German agriculture. During the war and the inflation period the farmers obtained good prices and were able to effect improvements to property and equipment. With the decline in the prices of German agricultural products, accompanied by the fall in world market prices, it has in many cases become impossible for the farmers to recover their production costs.

RE-IMPOSITION OF AGRICULTURAL DUTIES

As a consequence of the crisis in German agriculture the demand for the re-imposition of the duties on grain became very insistent during the year 1924. If the grain dealers had then been more decided in favour of the introduction of moderate duties on flour, the development of the crisis in German agriculture would have rendered essential the maintenance of duty-free import of grain. Together with the agriculturists the grain dealers, however, petitioned the Government for the reintroduction of the duties on grain. On the grounds of expediency and in the interests of German agriculture moderate duties were advocated together with the free entry of foreign feeding stuffs such as barley and corn, the importation of which would be to the advantage of German agriculture and which appeared necessary for the maintenance of a high standard of animal husbandry.

The Government went further than these proposals by reintroducing the Customs Tariff of 1902 with slight modifications, the alterations being chiefly a reduction for a limited period of the duties on the principal grains and a few slight changes of the regulations governing the duty-free importation as a bounty for exported grains and flour.

Generally speaking, the position is now the same as before the war. The import of foreign cereals of all kinds is subject to duty. The export of surplus German grains and flour is assisted by the system of duty-free import licenses given to exporters. German grain therefore competes on the world market and prices of German products are based on the world market prices.

STATE GRAIN DISTRIBUTING ORGANIZATION

In spite of this, the particular aim of German agriculture—viz., to obtain adequate prices—has only been partly realized, the reason being the decline of world market prices caused by the abundant crops. These have not been without effect upon German prices and have reduced these at times to a comparatively low level. The agriculturists who up to then had been in full accord with the grain dealers in supporting the government's tariff policy, emphasizing the necessity of bringing German prices up to the world level, now considered it necessary to declare that the decline in prices was due to other motives. Not being able through the duties to raise prices above the world level, they maintained that the low German prices were due to the financial weakness of the home trade and the home milling industry, who in consequence were no longer in a position to purchase the entire German crops offered and to finance the crop movements. It is now demanded that home prices be raised by some other means, and for this purpose the re-establishment of the state grain distributing organization is recommended, although this was formerly denounced by the agriculturists.

The entire grain trade opposed this proposal. Although the Government bill for the re-establishment of the state grain distributing organization has not been finally accepted, in so far as after being agreed to by the Reichsrat it has been referred by the Reichstag to its Economic Committee, the matter has not been finally buried. The agriculturists, moreover, will endeavour to obtain their aim by other means, although what form these will take is not yet clear.

REVIEW OF GRAIN TRADE

The providing of the German market with the necessary supplies of bread grains and feeding stuffs during the year under review was in every way satisfactory. Apart from the satisfactory results of the German crop, adequate quantities were available in foreign producing countries to satisfy German requirements. As above stated, the trade was not only able to do justice as

regards quantities but also as regards prices for the cheap requirements of consumers. It may even be stated that for a very short period for one or the other grains, prices sank below the average pre-war level. Generally, however, even with the low standard of prices the pre-war price was maintained. Through the re-introduction of the duty-free import license system a brisk export trade was developed in German grain to foreign countries, of which wheat and rye formed the principal part. The adequate rye crops in foreign countries unfortunately hindered the placing of large quantities of German rye on the foreign markets. This is the more to be regretted owing to the declining requirements of the German people, whose taste has changed in favour of wheat bread and the use of rye bread is declining. This has had a considerable influence on home rye, the sale of which to foreign countries is particularly desired. In order to promote the domestic use of rye the Hamburg Grain Dealers' Association has recommended the compulsory mixing of wheat flour with rye flour in the making of bread. How this proposal will be regarded by the authorities remains to be seen.

Imports from Russia, as in the previous year, only formed a small part of the total imports. Bread grains were chiefly imported from the United States, Canada and the Argentine. Feeding rye and corn principally from North America, the Argentine and Roumania. Periodically Poland was able to compete with her barley products on the German market. Brewing barley as in the previous year was imported chiefly from Denmark and the former German island of Alsens, when German domestic supplies were insufficient.

IMPORT TRADE IN FLOUR

German imports of North American flour have considerably declined. This was expected as a result of the introduction of the duties, although with the changed conditions the German consumer can no longer be counted on to almost or entirely give up using North American wheat flour as was the case before the war. The prohibition of baking during the night compels the bakeries in baking bread for early delivery to use a flour which can be worked up into a dough the night before. The German flours are not suitable for this purpose or at least not without the admixture of North American flour. The latter has therefore continued to be imported in limited quantities.

ECONOMIC CONDITIONS IN THE NETHERLANDS

TRADE COMMISSIONER FREDERICK H. PALMER

Rotterdam, March 11, 1926.—Dutch business men generally are of the opinion that any change in the situation must be for the better. Since before Christmas conditions affecting trade in and out of the Netherlands have not been of a character to stimulate traffic. Externally, the low franc impeded exports and permitted importation of competing products. At the same time the German credit situation is sorely taxing the financial sinews of Dutch intermediaries who, in addition to providing materials, must extend sufficient credit to a limit at times approaching the nature of a short term industrial loan. For example, in one line it is almost impossible to sell a certain raw material to Germany unless the buyer can secure three months open credit and then pay with a three months sight draft which can be extended a further three months at the buyer's option.

TOBACCO MERCHANTS' DIFFICULTY

The dependence of this country on its East Indian colonies for its economic strength is well known, and an important product of these colonies is tobacco. Since the German tobacco industry normally absorbs about two-thirds of the

tobacco re-exported from the Netherlands, it was felt that there was a danger of the strained financial situation of many German enterprises causing losses to Dutch dealers granting credit. Experts investigated this problem of the Dutch market, and the difficulties which might arise from the conditions of the German tobacco industry prompted them to make certain recommendations to the trade. The Vereeniging van den Tabakshandel (Association of Tobacco Dealers) have therefore agreed that the granting of credit will be controlled and a seller may retain his right to ownership on tobacco sold on credit until it has been manufactured. The situation in Germany is affecting the sale of agricultural produce and the slightly earlier spring is already making for lowered milk prices.

Unemployment remains practically unchanged, and the stabilized situation is further reflected in the number of bankruptcies reported to date, 619, as compared with 703 over the same period last year.

The Amsterdam Stock Exchange also reflects the quiet mood of business. The average value of the majority of groups of stocks declined during February but not as much as during January. Of a list of 169 standard stocks the average quotation declined from 228.4 on February 1 to 225.8 on March 1, as compared with 236.2 on January 4.

COST OF LIVING

The index figures of wholesale and retail prices indicate declines. With 1913 giving a base of 100, the wholesale index of 48 articles in the six larger cities in January was 156, as compared with 160 in December, 161 in January a year ago and an average for 1925 of 155. The comparable retail indices were 148, 148, 156 and 152.

STATE BANK OF ISSUE

The weekly statement of the condition of the Nederlandsche Bank persistently reflects the slowing up of business in decreased demand for discounts and currency. The foreign demand for discounts declined considerably between February 8 and March 8 as is indicated in the volume of foreign paper held in the bank's portfolio on these dates. The total value declined from 239,000,000 guilders to 191,000,000. Declines are also recorded in the amounts shown under "Diverse Accounts" from 47,000,000 to 36,000,000 guilders.

During the week March 1 to 8 the quantity of gold coin held by the bank increased 7,000,000 guilders to 50,514,535, while the stock of bullion declined almost the same amount. The volume of bank notes in circulation is also lower at 834,000,000 guilders.

The declines reported in the stock of gold bullion are probably due to an attempt to arrest the depreciation of the guilder in London which commenced shortly after the new year. Then the pound was quoted at 12.05-12.06 fl. but by February 1 it had reached 12.13 fl. and on March 1 12.14 fl. Since then the situation is somewhat improved. The movement of the dollar and the mark was practically proportionate to the changes in sterling.

FOREIGN TRADE

The statistics of the Central Bureau for the trade of January, the latest available, show increasing import balances. The imports in January totalled 205,000,000 guilders, the same as during December, 1925, and 211,000,000 in January a year ago.

The value of the exports was only 122,000,000 guilders as compared with 141,000,000 in December and 140,000,000 in January, 1925. The import balance therefore rose from 71,000,000 in January, 1925, and 64,100,000 in December to 83,500,000 for the first month of 1926.

ECONOMIC CONDITIONS IN ITALY

The total imports for the calendar year 1925 amounted to 26,156,900,000 lire, while for 1924 the imports totalled 19,379,600,000 lire, according to figures taken from the latest report of the Association of Italian Corporations. Exports for 1925 were valued at 18,274,000,000 lire, as compared with 14,370,900,000 lire for 1924. The increases of imports and exports in 1925 over 1924 were 6,727,200,000 and 3,903,700,000 lire respectively.

For the calendar year 1925 the unfavourable trade balance amounted to 7,882,000,000 lire, as compared with an unfavourable balance of 5,008,900,000 lire for the previous year. In only one class of commodities, namely, textile fibres and their products, do exports exceed imports. In 1925 this excess amounted to 1,772,100,000 lire. The item ores, metals and their products, however, more than offset this favourable balance, as imports exceeded exports by 2,510,600,000 lire for 1925.

In order to reduce this unfavourable trade balance a determined effort is being made, on the one hand to increase the yield of wheat per acre by the general application of scientific methods of agriculture, and on the other to improve the organization of the Italian export trade. For this purpose it is intended to form a National Institute for Exportation. The aim of the institute is to promote the exportation of agricultural products and manufactured goods principally by organizing producers' associations for export purposes. It will also organize an extensive foreign trade information service to supply producers with full details as to the requirements of foreign markets with a view to the technical and commercial organization of the export trade on scientific lines.

In order to encourage the investment of savings in industrial securities, which have been showing a steady decline in value for the past year, the Minister of Finance has reduced the interest on short-dated Treasury bonds from 6 to $5\frac{1}{2}$ per cent. This action has been made possible by the excellent situation of the Treasury, which on January 31, 1926, held available nearly 5,000,000,000 lire more than on June 30, 1925.

The monthly statement published by the Treasury shows that the revenue receipts for the first seven months of the current financial year exceeded expenditures by 29,000,000 lire as compared to a deficit of 169,000,000 lire at the corresponding date of 1925. The total currency circulation has been reduced by 696,000,000 lire during the month of January, 1926.

The official figures for unemployment on December 31, 1925, show that 122,000 workers were unemployed as compared with 150,499 on the corresponding date of 1924. These figures include agricultural and non-manual workers.

A considerable reduction has taken place in the relative number of people leaving the country as compared to the arrivals. For the first eleven months of 1925 the number of departures in excess of arrivals was 135,743, while for the same period of 1924 the excess totalled 231,112.

INTERNATIONAL EXHIBITION OF FORESTRY PRODUCTS AT MILAN

As a complement to the International Forestry Congress which is to take place in Rome in May next, an International Exhibition of forestal products, machines for the working of wood, etc., is being held at Milan from April 12 to April 27, the management of which is being undertaken by the Autonomous Society for the International Sample Fair at Milan.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Importation of Wheat into New Zealand

J. NEILL, OFFICE OF THE TRADE COMMISSIONER

Auckland, February 26, 1926.—In *Commercial Intelligence Journals* Nos. 1085, 1100, 1137, 1150 notices have appeared relative to the importation of wheat and wheat products into New Zealand. It has now been announced that, in order to ensure sufficient wheat being grown in this Dominion for the requirements of bread making and stock foods, the present duty of 2s. per cental will remain, together with the duty of £3 per ton on flour, and £1 per ton on bran and pollard.

With regard to fowl wheat, the Government has decided that permits, duty free, under supervision, will be granted for the importation until the next harvest, of such fowl wheat as may be required from time to time; these permits, however, will not be granted after the next harvest.

New Japanese Tariff and Anti-dumping Legislation

Mr. J. A. Langley, Canadian Trade Commissioner at Kobe, cables that a new Japanese tariff will take effect on March 29, and that there is also new anti-dumping legislation. Further details regarding these measures will be published as soon as they are received. (See also *Commercial Intelligence Journal* No. 1154, March 13, 1926, page 356.)

Canadian Trade Commissioners and Commercial Agents should be kept supplied with catalogues, price lists, discount rates, etc., and the names and addresses of trade representatives by Canadian exporters. Catalogue should state whether prices are at factory point, f.o.b. at port of shipment, or, which is preferable, c.i.f. at foreign port.

The Canadian Government Trade Commissioners at the present time are using Bentley's Complete Phrase code.

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

279. PROVISIONS.—A provision agent in Copenhagen, Denmark, selling to wholesale grocery trade, would be interested to act for Canadian exporters of such lines as apples (fresh or dried), rolled oats, canned goods, etc.

280. FOODSTUFFS.—A Cork firm are desirous of purchasing rolled oats, barley, cheese, cereal foods, canned fruits and vegetables, canned meats, salmon, lobsters, apples (green, canned, and evaporated) on own account.

281. FLOUR.—An agent in Helsingfors, Finland, who has had twenty years' experience in the flour business, is desirous of securing the representation for Finland of a first-class Canadian flour mill.

282. FLOUR.—A firm of flour agents in Copenhagen, Denmark, with agency for a United States mill, are very anxious to secure direct representation for a first-class Canadian flour mill.

283. FLOUR.—An agent in Port of Spain desires to hear from Canadian millers of cheap, white bleached soft flour.

284. CONDENSED MILK AND CASEIN.—A French house desires the representation of a Canadian exporter.

285. CANNED GOODS.—A firm of importers and agents in Copenhagen, Denmark, would be interested to secure the representation of Canadian exporters of canned fruits and vegetables and canned fish.

286. CANNED GOODS.—A Cardiff broker desires to communicate with a Canadian exporter of canned goods of all varieties with a view to representation for South Wales.

287. SALMON AND GENERAL FOOD PRODUCTS.—A French concern, already having the agency of several firms, would like to be appointed the agents of Canadian exporters.

288, 288A. CANNED SALMON.—Two firms of provision agents in Copenhagen, Denmark, would like to act as agents for Canadian producers.

289. CANNED SALMON.—A large commercial firm in Copenhagen, Denmark, would like to secure offers from Canadian producers.

290, 290A. CANNED LOBSTERS.—Two firms of provision agents in Copenhagen, Denmark, would like to act as agents for Canadian producers.

291. CANNED LOBSTERS.—A large commercial firm in Copenhagen, Denmark, would like to secure offers from first-class Canadian packers.

292. DRIED AND EVAPORATED FRUITS.—A firm of importers and agents in Copenhagen, Denmark, would be interested to secure the representation of Canadian exporters of dried and evaporated fruits, including ring apples.

293. DRIED FRUITS.—A large commercial firm in Copenhagen, Denmark, would like to get into direct touch with Canadian shippers of evaporated apple rings, prunes, and other dried fruits.

294. FRESH APPLES.—A large commercial firm in Copenhagen, Denmark, wish to get into direct touch with Canadian exporters of apples in boxes, chiefly British Columbia Jonathans. Are prepared to place large orders.

295, 295A. APPLES.—Two firms of fruit brokers and auctioneers in Copenhagen, Denmark, are open to receive consignments of Canadian apples, both in boxes and barrels, for sale on the Copenhagen auctions.

296. APPLES.—A firm in Copenhagen, Denmark, are interested in the importation for their own account of Canadian apples in barrels from large reliable shippers.

Miscellaneous

297. CHEMICALS, MINERALS, ETC.—A French importing and exporting firm are anxious to hear from Canadian exporters of the following, with a view to securing the agency in France for same: turpentine wood, lamp black and petroleum black, acetone, synthetic powder, pitch and graphite.

298. ACETATE OF LIME.—An agent in Copenhagen, Denmark, would like to secure the agency of a Canadian exporter.

299. COBALT OXIDES AND SULPHATES.—An agent in Prague, Czecho-Slovakia, wishes to get in touch with Canadian exporters.

300. NICKEL AND NICKEL SULPHATES.—An agent in Prague, Czecho-Slovakia, wishes to get in touch with Canadian exporters.

301. FISH SCALES.—Canadian exporters of fish scales are requested to communicate with a French importing and exporting firm, with a view to representation.

302. SEEDS; LEATHERS, HIDES AND SKINS, FURS; ASBESTOS.—An important French concern would like to receive quotations on the above.

303. RUBBER FOOTWEAR.—An agent in Copenhagen, Denmark, familiar with the shoe and rubber goods trade, is desirous of securing the agency of a Canadian manufacturer.

304. RUBBER SHOES.—An agent in Copenhagen, Denmark, is desirous of securing the representation of a Canadian manufacturer of tennis shoes and other rubber footwear.

305. AGENCY.—An agent in Copenhagen, Denmark, would be open to take on the agency for Canadian provisions, rubber goods, and other lines saleable in that market.

306. MACHINES AND FACTORY SUPPLIES.—A well-established machinery representative in Copenhagen, Denmark, would be interested in acting as agent for Canadian exporters of machine tools and other factory equipment.

307. FARM APPLIANCES.—A well-established machinery representative in Copenhagen, Denmark, would be interested in acting as agent for Canadian exporters of tools and appliances suitable for the farming population of Denmark.

308. SPADES AND FORK TINES.—An agent in Copenhagen, Denmark, is desirous of securing the representation of a Canadian manufacturer of spades, shovels, and fork tines for hay and manure forks.

309. SPADES AND SHOVELS.—An agent in Copenhagen, Denmark, would like to secure the agency for a Canadian manufacturer of spades and shovels.

310. METALS.—A London merchant firm are interested in Canadian metals of all kinds, both ferrous and non-ferrous, and wish to establish connections with Canadian exporters.

311. ORES.—A firm of importers and exporters in Hamburg, Germany, wish to form business connections with Canadian producers of ores, especially manganese, cobalt, chrome, molybdenite, wolfram, bismuth, antimony and tin ores.

312. SULPHITE PAPER.—An old and well-established New Zealand firm wish to hear from Canadian manufacturers in a position to supply sulphite paper for the manufacture of high-grade paper bags.

313. KRAFT WRAPPING PAPER.—A Cork firm desire to purchase on own account.

314. LUMBER.—A firm in New Zealand wish to have quotations c.i.f. Auckland for the supply of kiln-dried maple or beech lumber planed on two sides, $2\frac{1}{2}$ inches by $2\frac{1}{2}$ inches by 6 feet, or alternatively maple or beech blocks 6 inches by $2\frac{1}{2}$ inches by $2\frac{1}{2}$ inches, also planed two sides.

315. LUMBER FOR CASE MAKING.—Belgian importer desires quotations c.i.f. Antwerp on fir or pine boards $\frac{5}{8}$ -inch thick and over, 18 inches to 16 feet long, 3 inches and more in width.

316. BOX SHOOKS.—A large and influential firm in San Fernando, Trinidad, wish to receive quotations c.i.f. Port of Spain on box shooks of each kind covered in the quotations given.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING MARCH 29, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending March 29, 1926. Those for the week ending March 22, 1926, are also given for the sake of comparison.

		Parity	Week Ending March 22, 1926	Week Ending March 29, 1926
Britain	£	1.00	\$4.86	\$4.8575
Czecho-Slovakia	Crown	1.	.203	.0296
France	Fr.	1.	.193	.0352
Italy	Lire	1.	.193	.0402
Holland	Florin	1.	.402	.4007
Belgium	Fr.	1.	.193	.0406
Spain	Pes.	1.	.193	.1409
Portugal	Esc.	1.	1.08	.0520
Switzerland	Fr.	1.	.193	.1926
Germany.. . . .	Reichs Mk.	1.	.238	.2382
Greece	Dr.	1.	.193	.0136
Norway	Kr.	1.	.268	.2153
Sweden.. . . .	Kr.	1.	.268	.2683
Denmark	Kr.	1.	.268	.2626
Japan	Yen	1.	.498	.4550
India	R.	1.	2s.	.3665
United States	\$	1.	\$1.00	1.0031
Mexico.. . . .	\$	1.	.498	.4870
Argentina	Pes.	1.	.424	.3912
Brazil	Mil.	1.	.324	.1435
Roumania	Lei	1.	.193	.....
Jamaica	£	1.	4.86	4.8800
British Guiana	\$	1.	1.	.....
Barbados.. . . .	\$	1.	1.	.....
Trinidad	\$	1.	1.	.....
Dominica	\$	1.	1.	.....
St. Kitts	\$	1.	1.	.....
Grenada.. . . .	\$	1.	1.	.....
St. Vincent.. . . .	\$	1.	1.	.....
Tobago	\$	1.	1.	.....
Shanghai, China.. . . .	Tael	1.	.708	.7825
Batavia, Java	Guilder	1.	.402	.4025
Peru.. . . .	Pound	1.	4.86	3.8425
Singapore, Straits Settlements ..	\$	1.	.567	.5725

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From St. John

To LONDON.—Bothwell, Canadian Pacific, April 17; Canadian Rancher, April 14; Canadian Aviator, April 21—all C.G.M.M.; Verentia, Cunard Line, April 21.

To CARDIFF AND SWANSEA.—Canadian Victor, April 7; Canadian Leader, April 21—both C.G.M.M.

To LIVERPOOL.—Montcalm, April 9; Montclare, April 16; Metagama, April 23—all Canadian Pacific.

To SOUTHAMPTON.—Melita, Canadian Pacific, April 15.

To MANCHESTER.—Manchester Brigade, Manchester Liner, April 17.

To GLASGOW.—Batsford, April 10; Bolingbroke, April 20—both Canadian Pacific; Concordia, Anchor-Donaldson, April 17.

To BELFAST AND DUBLIN.—Fanad Head, Head Line, April 10.

To AVONMOUTH.—Concordia, Anchor-Donaldson, April 17.

To ANTWERP.—Canadian Rancher, April 14; Canadian Aviator, April 21—both C.G.M.M.; Melita, Canadian Pacific, April 15.

To HAVRE.—Hada, Intercontinental Transports, Ltd., April 15.

To ROTTERDAM.—Hada, Intercontinental Transports, Ltd., April 15.

To HAMBURG.—Laval County, Intercontinental Transports, Ltd., April 7.

To CUBA.—Emperor of Port McNicholl, Robert Reford & Co., April 10.

To AUSTRALIAN AND NEW ZEALAND PORTS.—Wirral, New Zealand SS., April 20.

To WEST AND SOUTH AFRICAN PORTS.—Cochrane, Elder Dempster Line, April 15.

From Halifax

To HULL.—Ariano, April 12; Comino, April 19—both Furness, Withy.

To LIVERPOOL.—Sachem, April 8; Newfoundland, April 20;—both Furness, Withy; Regina, White Star-Dominion Line, April 14.

To COBH (QUEENSTOWN).—Alaunia, Cunard Line, April 12.

To MANCHESTER.—Manchester Corporation, April 5; Manchester Hero, April 12; Manchester Brigade, April 19—all Furness, Withy.

To LONDON.—Ariano, April 12; Comino, April 19—both Furness, Withy.

To ST. JOHN'S, Nfld.—Sachem, April 8; Newfoundland, April 20—both Furness, Withy; Skipper, April 16, April 30; Sable I., April 9 Sambro, April 23—both Farquhar SS.

To BERMUDA, ST. KITTS, ANTIGUA, MONTserrat, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Chaudiere, R.M.S.P. Co., April 9.

To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Fisher, April 10; Canadian Forester, May 1—both C.G.M.M.

To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Carrier, C.G.M.M., April 16.

To BARBADOS AND TRINIDAD.—Canadian Squatter, C.G.M.M., April 9.

To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, April 21.

To SANTIAGO, KINGSTON AND MONTEGO.—Andalusia, Pickford & Black, April 7, May 5.

To NEW ZEALAND PORTS.—Canadian Conqueror, C.G.M.M., April 24.

To AUSTRALIAN PORTS.—Canadian Scottish, C.G.M.M., April 24.

From Vancouver

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Russia, Canadian Pacific, May 1.

To YOKOHAMA, KOBE, SHANGHAI, HONG KONG AND MANILA.—Empress of Canada, Canadian Pacific, April 17.

To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Africa Maru, Osaka Shosen Kaisha, April 24.

To YOKOHAMA, KOBE, MIKE AND HONG KONG.—Protesilaus, Blue Funnel, April 29.

To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Niagara, April 7; Aorangi, May 5—both Canadian-Australasian Line.

To WEST COAST UNITED KINGDOM PORTS.—Canadian Freighter, April 10; Canadian Transporter, April 28—both C.G.M.M.

To LONDON.—Canadian Seigneur, C.G.M.M., April 10.

To MANCHESTER.—London Merchant, April 9; Pacific Shipper, April 23—both Furness Line.

To BORDEAUX, HAVRE AND ANTWERP.—Notre Dame de Fourviere, Cie. Gle. Transatlantique (French Line), April 21.

To ANTWERP.—Canadian Seigneur, C.G.M.M., April 10.

To BARCELONA, MARSEILLES, GENOA, NAPLES AND TRIESTE.—Cherca, Navigazione Libera Trieste, April 15.

To AUSTRALIAN AND NEW ZEALAND PORTS.—West Henshaw, Pacific-Australia Line, April 17.

956
COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

James Cormack. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

P. W. Cook. Address for letters—P. O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300. Office—North China Daily News Building, 17 The Bund, Shanghai. *Cable Address, Cancoma.*

France

Hereule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Gutrufhaus, Neuerwall 10, Hamburg 38. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czechoslovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watermill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230; office, Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

Netherlands East Indies

R. S. O'Meara, P. O. Box 84, Batavia, Java. (Territory covers Straits Settlements, Federated Malay States, Indo-China, and Siam.) *Cable Address, Canadian.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P. O. Box 683; Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia). *Cable Address, Sleighing, London.*

J. Forsyth Smith, Century Bldgs., 31 North John street, Liverpool. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales). *Cable Address, Cantracom.*

Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands). *Cable Address, Canadian.*

Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

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Commercial Intelligence Journal



Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: J. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, April 10, 1926

No. 1158

TABLE OF CONTENTS

	Page		Page
Canadian and United States Exports of		United States Foreign Trade in Pulp and	
Wheat Flour	457	Paper	468
Market for Box Shooks and Similar Con-		Meat Supply of Germany	470
tainers in South Africa	457	Copenhagen Market for Canadian Apples . .	472
Economic Conditions in South Africa . . .	460	Wheat and Flour Market in China	473
United Kingdom Frozen Meat Trade in 1925	461	Tariff Changes and Customs Regulations:	
Resident Agents of Canadian Firms Neces-		South African Tariff Changes: Wheat and	
sary in the United Kingdom	464	Flour Affected	476
Pit Props in Scotland	464	Greek Flour Restrictions	476
Importation of Condensed MEK into Jamaica	465	Changes in Greek Wheat and Flour Duties	477
Imports of Motor Cars and Trucks and of		Foreign Exchange Quotations for Week end-	
Bicycle and Tricycle Parts into British		ing April 6	477
West India Colonies	466	Trade Inquiries for Canadian Products . .	478
Economic Development of African Colonies		Steamship Sailing between St. John, Medi-	
and Protectorates	467	terranean and Indian Ports	478
Trade Commissioner A. B. Muddiman's		Proposed Sailings from Canadian Ports . . .	478
Itinerary in Canada	467	Commercial Intelligence Service	480

CANADIAN AND UNITED STATES EXPORTS OF WHEAT FLOUR

Canadian exports of flour for the three calendar years 1923 to 1925 were as follows: 1923, 11,198,635 barrels; 1924, 11,476,868 barrels and 1925, 10,318,840 barrels. Those of the United States for the corresponding periods were 16,309,856, 15,989,760 and 11,119,058 barrels. The excess of United States exports of flour over similar exports from Canada was (in round numbers) in 1923, 5,111,000 barrels; in 1924, 4,513,000 barrels; and in 1925, 801,000 barrels.

For the five-month period from October 1925 to February 1926 exports of wheat flour from Canada totalled 4,833,000 barrels, against those from the United States of 4,216,000 barrels, giving an excess of exports from Canada as compared with those of the United States of 617,000 barrels.

MARKET FOR BOX SHOOKS AND SIMILAR CONTAINERS IN SOUTH AFRICA

TRADE COMMISSIONER G. R. STEVENS

Cape Town, March 11, 1926.—From time to time inquiries are received from Canadian manufacturers desirous of quoting upon the considerable hard-wood business which South Africa places with the Baltic countries each year. The dimensions of such trade may be shown statistically as follows:—

	1924	1923
Sweden	£205,068	£176,431
Norway	23,606	14,954
Finland	13,575	9,808
All suppliers	256,465	220,537

Canada in the same period shipped only £232 under this heading.

REASONS FOR SCANDINAVIAN PREDOMINANCE

Canadian and American shooks have been imported at various times in various quantities, but no Canadian or American supplier has ever been able to achieve a permanent footing in the trade. From a close examination of the South African demand and Scandinavian supplies, it is quite apparent that Swedish predominance is earned because of the quality of their shooks and the favourable prices at which they are offered. The fact that Scandinavian shooks are cut from waste wood may suggest that the quality leaves something to be desired, but in reality the Swedish and Norwegian shooks are almost invariably satisfactory even when glued and spliced shooks are included. "The wood is white and cleaner-looking than spruce. When knots occur they seem to be firmer. The cutting and the dressing leaves nothing to be desired. In comparison with Canadian and American shooks, the Scandinavian offerings are more evenly dried, they contain less shakes, and they do not split as easily." A dealer of many years' experience in the fruit shooks trade gave this as his considered opinion.

All these advantages, however, are secondary to the main factor, which is price. Baltic shooks are invariably below Canadian offerings upon any box unit. This is partly due to the fact that much of this box wood is shipped upon timber charters, which enjoy a low freight rate. The freight rate upon Scandinavian shooks from Gothenburg and Oslo is 95s. (\$23.04) per standard of 165 cubic feet, in comparison with a 1925 rate of \$7.50 per 40 cubic feet from Canadian ports. Ports above Oslo and Gothenburg in the Baltic pay 105s. (\$24.65), yet this does not account for the entire disparity between Baltic and Canadian quotations. It would appear that the Scandinavian shook manufacturers had specialized and developed their export trade to a greater degree than Canadian manufacturers. The very fact that occasionally one finds glued and joined shooks among Scandinavian shipments suggests a degree of attention and development which has not been noticeable among Canadian suppliers to date.

PRINCIPAL SHOOKS IMPORTED

The principal boxes in demand are soft fruit boxes, raisin boxes, orange boxes, butter boxes, and petrol cases. Egg boxes and fish boxes are lesser sales. Definite standards for such boxes are set. Practically every box imported into South Africa specifies white wood finely sawn; an exception is orange boxes, for which red or white wood is permitted. The details of the principal soft fruit boxes are given below—all measurements being given in inches and all prices being c.i.f. Cape Town. For other ports of the South African range a differential of 60 cents per ton may be added for each port beyond Cape Town. The prices given are the reigning Swedish prices during the past importing season.

Soft Fruit Boxes

4 tops and bottoms	18 x 5½ x ¾.
2 sides	18 x 2½ x ¾.
2 ends	11½ x 2½ x ¾.
2 cleats	11½ x ¾ x ¾.
Price £14 5s. per M (6.9 cents each)	

4 tops and bottoms	18 x 5½ x ¾.
2 sides	18 x 2½ x ¾.
2 ends	11½ x 3 x ¾.
2 cleats	11½ x ¾ x ¾.
Price £14 10s. per M (7 cents each)	

4 tops and bottoms	18 x 5½ x ¾.
2 sides	18 x 2½ x ¾.
2 ends	11½ x 3½ x ¾.
2 cleats	11½ x ¾ x ¾.
Price £15 per M (7.27 cents each)	

Soft Fruit Boxes—Concluded

4 tops and bottoms	18 x 5½ x ¾.
2 sides	18 x 3 x ¾.
2 ends	11½ x 3½ x ½.
2 cleats	18 x ¾ x ¾.

Price £15 5s. per M (7.4 cents each)

4 tops and bottoms	18 x 5½ x ¾.
2 sides	18 x 4 x ¾.
2 ends	11½ x 4½ x ½.
2 cleats	18 x 5½ x ¾.

Price £17 10s. per M (8.48 cents each)

4 tops and bottoms	18 x 5½ x ¾.
2 sides	18 x 5 x ¾.
2 ends	11½ x 5½ x ¾.
2 cleats	11½ x ¾ x ¾.

Price £20 10s. per M. (9.94 cents each)

Orange Boxes

8 pieces	26 x 5½ x ½.
3 pieces	11½ x 11½ x 11/16.
2 pieces	11 x ½ x ¾.

Red or white wood, finely sawn. Ends and middles bevelled.
Ends and middles tongued and grooved.

Price 1s. 0½d. (25 cents each)

Butter Boxes No. 1

Inside measurement	12 x 12 x 12.
Ends	¾ thick.
Tops, bottoms and sides	½ thick.

Boards to be in two unequal pieces, tongued, grooved and glued.
Boards to be planed one side.

Price 12.55 pence (25.1 cents each). (This quotation is C.I.F. Fort Elizabeth)

Butter Boxes No. 2

Tops and bottoms	14 x 12½ x ¾ in two pieces tongued and grooved.
Sides	14 x 12 x ¾ in two pieces tongued and grooved.
Ends	12 x 3½ x ½.
8 cleats	12 x 5 x ½, in three pieces, tongued, grooved and glued.
	12 x 3½ x ½, in three pieces, tongued, grooved and glued.
	12 x 1½ x ¾.

Cleats ready grooved for joining overleaf.

Price 10.15 pence (20.3 cents each)

Dried Fruit Boxes (including Raisins)

2 ends	9 x 5½ x ¾ in one piece.
2 sides	15½ x 5½ x 5/16 in one piece.
2 tops and bottoms	15½ x 9½ x 5/16 in two pieces, tongued, grooved and glued.

Price 4.80 pence (9.6 cents each)

2 ends	9 x 6 x ¾ in one piece.
2 sides	15½ x 6 x 5/16 in one piece.
2 tops and bottoms	15½ x 9½ x 5/16 in two pieces, tongued, grooved and glued.

Price 5.05 pence (10.1 cents each)

2 ends	9 x 6½ x ¾ in one piece.
2 sides	15½ x 6½ x 5/16 in one piece.
2 tops and bottoms	15½ x 9½ x 5/16 in two pieces, tongued, grooved and glued.

Price 5.25 pence (10.5 cents each)

2 ends	9 x 8 x ¾ in one piece.
2 sides	15½ x 8 x 5/16 in one piece.
2 tops and bottoms	15½ x 9½ x 5/16 in two pieces, tongued, grooved and glued.

Price 6.15 pence (12.3 cents each)

2 ends	6½ x 4½ x ¾ in one piece.
2 sides	11½ x 4½ x ½ in one piece.
2 tops and bottoms	11½ x 6½ x ½ in one piece.

Price 2.40 pence (4.8 cents each)

IMPORTS

Among imports, considerable interest is being manifested in Canadian fencing standards in spite of the termination of the Belgian strike which caused the shortage. Most other agricultural lines are depressed owing to the reports of the maize crop and the uncertainty of wool.

The first commercial production from the new platinum fields has stimulated purchases on mining account, and the remedying of the labour shortage has likewise improved the outlook in this industry. Timber and building materials are very strong at present, and imports are increasing steadily, owing to comprehensive construction programmes in all parts of the Union.

Soft goods buying, however, is cautious because of the uncertain rural situation.

Motor car imports were still expanding in September, 1925, and there is fair reason to regard South Africa as oversold at present. Price cutting is in progress, and the dealers are restless; some British and American models have been cut by as much as £50 (\$242.50).

A number of investigations in South African credit conditions have been made of late, but the investigators have been very cautious in their reports.

The visit of the first American cruising party has been featured in the hope that further tours may include South Africa in their itinerary. Comprehensive trips into the hinterland of the Union and Rhodesia have been arranged.

Legislation is proceeding at a rapid pace, a distinct spirit of compromise being noticeable. The estimates will be tabled immediately after Easter. A considerable number of changes are to be anticipated in the tariff, but it is understood that these are mostly of a minor nature.

THE UNITED KINGDOM FROZEN MEAT TRADE IN 1925

TRADE COMMISSIONER HARRISON WATSON

London, March 22, 1926.—Messrs. W. Weddel & Co., Ltd., have just published their 38th Annual Review of the Frozen Meat Trade.

It will be remembered that 1924 closed with the meat market in a strong position and with prospects of still further improvement. These were not, however, entirely realized, a number of unforeseen factors entering into the situation and upsetting the calculations of operators.

In the first place, the continued weakness of Continental currencies, and consequently reduced purchasing power, checked imports into several European countries; while, in addition, the German Government adopted legislation definitely restricting the quantities of frozen meat permitted to enter the country duty free. Further, the seamen's strike in the autumn, which held up supplies from Australia and New Zealand, had the effect of temporarily forcing up prices to a fictitious level, which quickly dropped when the consignments which came forward were found to be more than sufficient to meet the demand.

The report also calls attention to the development in the operations of the American meat companies in chilled beef. These United States interests are gradually increasing their hold on the South American trade, and whereas at one time the English companies handled 66 per cent of the Argentine meat shipments to Great Britain, this proportion stands to-day at 28 per cent.

Another feature of the year is the somewhat keener demand which developed on the part of the public for beef at the expense of mutton and lamb, which latter have for some years commanded relatively higher prices than beef, as compared with the pre-war level.

The total imports of frozen mutton and lamb into the United Kingdom were 14,170,787 carcasses, as compared with 12,982,083 in 1924, or an increase of 9.1 per cent.

As regards frozen beef, the arrivals (2,187,484 quarters) were 5.9 per cent greater than in 1924, notwithstanding a big drop in receipts from the Argentine. Australian imports went up by 471,485 quarters, and Canada, it is gratifying to note, increased her contribution by 5,092 quarters.

In chilled beef (5,285,900 quarters) the rapid expansion of the past five years was not maintained at the same rate, the increase being only 2.6 per cent over 1924. Here again Canada made a better showing, supplying 2,625 quarters against nil in the previous year.

CONTINENTAL TRADE

As stated, the movement of frozen meat to the Continent suffered a setback during the year, the quantity in 1925 being 429,100 tons, or a decrease of 10 per cent.

In spite of this, the position of frozen meat in Europe seems to be fairly well established, and consumers are gradually giving it greater recognition. At the same time it is evident that agrarians in the various European countries will endeavour to bring about the introduction of legislation to restrict imports.

While the future is to this extent uncertain, Messrs. Weddel & Co., Ltd., point out that the opposition of the agricultural interests is to be expected in countries where the frozen meat import trade is being developed. In their opinion, however, the frozen product can be sold without greatly prejudicing the market for home-killed meat. Two parallel markets ultimately establish themselves governed by several factors, the principal of which is the spending capacity of the various classes of the general public.

Notes on Various Sources of Supply

UNITED KINGDOM

The year 1925 was rather disappointing for the home stock-raisers, chiefly owing to unfavourable weather conditions and the outbreaks of foot and mouth disease.

A matter directly affecting Canadian cattle exporters was the greatly reduced shipments from Ireland. In 1924 Great Britain received from Ireland 346,085 "fat cattle" and 732,875 "other cattle", while in 1925 the figures were 247,759 and 533,974 respectively. Simultaneously, arrivals from Canada registered an important advance.

AUSTRALIA

The review states that the absence of any serious droughts in Australia during the past few years has resulted in a considerable increase in the number of live stock throughout the Commonwealth.

During the year considerable public interest was shown in the cattle and beef industry and various schemes were put forward for effecting some improvement. In this connection, Mr. Cramsie, the late chairman of the Australian Meat Council, visited South America, Canada, and the United Kingdom, and in his report impressed upon Australian producers that "the British working people have become so educated up to appreciate the excellent quality of South American chilled beef that even in the poorest neighbourhoods frozen beef is not wanted except for short periods when, for temporary reasons, chilled is unobtainable, or the price of it is too high. On the Continent the conditions are different, and there is no reason why Australia should not get a reasonable share of that business, as well as the limited demand for peace-time army requirements and for charitable institutions."

NEW ZEALAND

Once again the producers of New Zealand mutton and lamb can claim to have experienced a successful season. The prices paid to the growers at the opening constituted almost a record, but instead of appreciating as the season

advanced, the severe drop in the wool market counteracted the effect of the increased weight of wool on the animals, and prices therefore tended to decline, although not materially. The prospects for 1926 are reported to be again bright.

CANADA

Messrs. Weddel & Co., Ltd., comment favourably upon the substantial increase in the trade in live cattle with the United Kingdom, shipments for 1925 amounting to 110,868 head, as compared with 79,435 in 1924. They also write encouragingly as regards the future:—

The supply of feeding stuffs on hand at the end of the year was plentiful, and the demand for store cattle from Canadian farmers was exceptionally keen, indicating that a large number of cattle will be grain finished during the present winter, thus providing a larger supply of choice cattle next spring.

The Department of Agriculture at Ottawa continues to put forth special efforts to encourage winter finishing of cattle and the elimination of the poorer grades of live stock, and gratifying results have been noted in the quality of live stock marketed in Canada recently.

A considerable expansion of trade with Great Britain is confidently looked for in the future.

ARGENTINA

There have been no official returns of live stock in the Argentine Republic since the last census was taken in 1923. A reliable estimate, however, places the number of cattle at 30,000,000 head and of sheep at 35,000,000.

Climatic conditions during the year were on the whole favourable, but at no time was there any excessive supply of cattle available for the freezing works, and prices must have been extremely profitable for the growers. The freezing companies competed so strongly for supplies that one of the English companies was compelled to close down for the greater part of the year.

Chilled beef shipments were slightly heavier, but the exports of frozen beef showed a decided drop.

UNITED STATES

In the United States, Messrs. Weddel state that after a period of excessive killings and low prices, extending over several years, a scarcity of cattle developed last year, and prices of both fats and stores were the highest recorded since 1920.

In some quarters there is talk of the possibility of chilled beef being imported during the current year. Although it is unlikely that prices will rise to such an extent that importation on a large scale will be possible in spite of the tariff, there can be no doubt that the general tendency in the States is towards a shortage of beef.

GENERAL OUTLOOK

In conclusion, Messrs. W. Weddel & Co., Ltd., do not anticipate any shortage of meat supplies in the near future. If the weather continues favourable, home supplies of beef will be about normal. Argentine beef shipments may be heavier than last year, while Uruguay will no doubt also increase its output.

As regards mutton, an ample home supply is assured, while the New Zealand situation will not be materially different. Australian shipments may be affected owing to the drought, in which case a scarcity of lambs next season may be expected.

It is remarked that at the present moment the industrial horizon is by no means clear, and any serious trouble might upset all calculations. Assuming, however, that a settlement of outstanding difficulties is arrived at, the consumptive demand for all kinds of meat at the lower level of prices now ruling should increase considerably.

Looking still further ahead, Messrs. Weddel see sound reasons for expecting beef prices gradually to rise, but point out that everything seems to depend upon the Continental demand being allowed to develop on natural lines, without interference.

RESIDENT AGENTS OF CANADIAN FIRMS NECESSARY IN THE UNITED KINGDOM

TRADE COMMISSIONER HARRISON WATSON

London, March 20, 1926.—Canadian export trade to other parts of the Empire and foreign countries through the United Kingdom is controlled by the indent and shipping firms, of which there are large numbers, located chiefly in London and Liverpool. There are also firms of this class in Glasgow and Birmingham. While a considerable proportion of the buying for special countries; notably West Africa, is conducted in Liverpool, London is by far the most important centre of the indent trade.

Some of these houses are head offices or branches of particular private enterprises, and this is more generally the case regarding firms in Australia, New Zealand, South Africa, and other parts of the Empire than as regards foreign countries. The bulk of the indent houses purchase upon behalf of a variety of customers from many different countries. Almost without exception, however, the buying which they conduct is confined to particular articles indented and specified by the customer in the overseas country.

A vital requirement for securing indent orders is the immediate availability of samples, prices and similar information in Great Britain itself. The chief manufacturers and exporters of other countries are represented in the United Kingdom, and buyers are not only unwilling but unable to incur the delay necessary to communicate with Canada. It is consequently practically a *sine qua non* that any Canadian firm wishing to do business with these indent firms must maintain an agent in the United Kingdom.

The same conditions apply to the requirements of Dominion and Colonial Government Departments, public bodies, Imperial and foreign railways, and similar corporations which conduct their purchasing in the British Isles.

As United Kingdom indent firms only purchase what is called for, it is necessary for the Canadian manufacturer and shipper to create a demand for his goods in the country upon behalf of which the indent firm is buying.

In the case of purchasing by public bodies, tenders are left open for such a short time that it is practically impossible for any Canadian firm who do not maintain a resident agent in this country to secure the opportunity of quoting. In many instances, moreover, these bodies are unwilling to consider offers unless there is a local representative or other person prepared to accept responsibility upon behalf of the overseas tenderer.

PIT PROPS IN SCOTLAND

TRADE COMMISSIONER G. B. JOHNSON

Glasgow, March 16, 1926.—Several times since the close of the war efforts have been made by Canadian firms to obtain a share of the large trade in pit props, and of mining timber generally, for the coal mines of Scotland. On each occasion market prices were found to be quite below the reach of the Canadian firm concerned. But in view of the fact that the trade returns for Northern Ireland show that quite a substantial proportion of the small amount of pit-wood used in that province came from Canada in 1924, although the origin of this Canadian supply is unknown to this office, it may possibly be the case that Canadian shippers can also now compete in the Scottish market against home and Scandinavian firms. In the case of Northern Ireland, the Coalisland area to the west of Lough Neagh has opened up to some extent. Two pits are now being worked, and this development seems likely to extend so that Ulster may shortly be in a position of independence for coal supplies and no longer find it

necessary to import from Scotland and England. But it will be years before Ulster will require any considerable quantity of pit props; in Scotland, on the other hand, enormous amounts are in demand.

Before the war not more than 5 per cent of pitwood was produced in Scotland, the other 95 per cent coming from Scandinavian countries. A much greater proportion is now supplied from home sources, as a result of operations begun during the war having been continued to the present time. Pitwood in this country is sold in great variety and in all lengths, but never in shorter lengths in feet than the diameter of the piece in inches. The usual lengths are feet for inches—that is, the length of a piece in feet is the same as the tip diameter in inches, but in practice the length is generally an inch longer than this rule indicates. The sizes mostly in demand are $2\frac{1}{2}$ inches in diameter up to 6 inches in diameter, in the appropriate lengths. The best wood for pit props is pine, spruce, birch, or fir. The present c.i.f. price per Gothenburg standard is 100 shillings. Two years ago it was 120s., and three years ago 125s.

Top Diameter	Gothenburg (Swedish) Standard	Top Diameter	Gothenburg (Swedish) Standard
Inches	Lineal Feet	Inches	Lineal Feet
2	3,500	$4\frac{1}{2}$	936
$2\frac{1}{2}$	2,540	5	792
3	1,800	$5\frac{1}{2}$	648
$3\frac{1}{2}$	1,440	6	540
4	1,116		

IMPORTATION OF CONDENSED MILK INTO JAMAICA

TRADE COMMISSIONER P. W. COOK

Jamaica, March 17, 1926.—In view of recent increased interest among Canadian manufacturers of condensed milk in the Jamaican market, a few points in connection therewith may opportunely be discussed.

Canada controls a major share of this market, as will be seen from the following statistics:—

Imports of Condensed Milk, Calendar Year 1924

Unskimmed—		
Canada	2,327,221 lbs.	\$ 71,618
United States	866,891 lbs.	26,936
Denmark	137,440 lbs.	3,573
All countries	3,417,950 lbs.	104,790
Skimmed—		
Canada	1,700 lbs.	54
United States	23 lbs.	3
All countries	2,097 lbs.	75

Canadian export statistics for the fiscal year ending March, 1925, show export to Jamaica (all classes) of 23,159 cwt. valued at \$309,506; and for the nine months ending December, 1925, 19,094 cwt. valued at \$258,295.

According to the Jamaican tariff, as amended to May 4, 1925, duties are assessed as follows:—

Item No. 22—Milk—Condensed, other than skimmed milk referred to in section 9 of Law No. 25: preferential tariff applicable to Canada, 1s. 6d.; general tariff, 2s. per 48 pounds weight, including weight of tin.

Skimmed (referred to in the same law): preferential tariff, 20s.; general tariff, 26s. 8d.

Under the terms of the proposed new Canadian-British West Indian Trade Agreement, a preference of not less than 50 per cent is to be granted to Canada on condensed milk.

Reference in the foregoing has been made to Law No. 25 of 1908. Section 9 of this law stipulates that every tin or receptacle containing condensed separated or condensed skimmed milk must be clearly labelled "Machine skimmed milk,

unsuitable for feeding infants," or "Skimmed milk, unsuitable for feeding infants," as the case may require. It may be added that milk containing less than 8.25 per cent of butter fat is classified as skimmed milk.

It is abundantly clear, however, from the statistics quoted that the market for skimmed milk—i.e. milk containing less than 8.25 per cent of butter fat—is practically negligible, which is obviously the intention of the discriminating duties provided by Item 22 of the tariff law.

IMPORTS OF MOTOR CARS AND TRUCKS AND OF BICYCLE AND TRICYCLE PARTS INTO BRITISH WEST INDIA COLONIES

(Year ended December 31, 1924)

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Colony	MOTOR CARS AND TRUCKS							
	Total Imports		Imports from—					
			United Kingdom		United States		Canada	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
	No.	\$	No.	\$	No.	\$	No.	\$
Bermuda.....	206	149,169	27	27,344	61	46,518	117	75,057
British Guiana.....	20	9,862			19	9,355	1	507
British Honduras.....	104	51,172	2	1,217	100	47,348	2	2,607
Bahamas.....	167	168,999	11	34,567	119	104,361	33	27,890
Barbados.....	12	6,209	1	1,217	11	4,992		
Grenada.....	662	652,089	22	30,037	533	572,398	52	46,113
Jamaica.....								
Leeward Islands—								
Antigua.....	27	16,878			12	5,883	0	1,947
Dominica.....	1	438	1	438				
Montserrat.....	5	2,273			1	521		
St. Kitts-Nevis.....	25	16,688			10	6,029	12	8,955
Virgin Islands.....								
St. Lucia.....	4	2,954			3	2,214	1	740
St. Vincent.....	21	10,531	3	58	16	9,023	2	1,450
Trinidad and Tobago.....	302	240,486	20	25,170	260	198,136	20	16,868
Total Imports.....	1,556	1,327,748	87	120,048	1,195	1,006,778	249	182,134
Per cent.....	100.00	100.0	5.6	9.0	76.7	75.7	16.0	13.7

Colony	BICYCLE AND TRICYCLE PARTS			
	Total Imports	Imports from—		
		United Kingdom	United States	Canada
	Value	Value	Value	Value
	\$	\$	\$	\$
Bermuda.....	12,056	11,873	53	
British Guiana.....				
British Honduras.....	214		214	
Bahamas.....	5,547	4,800	511	
Barbados.....	190	180	10	
Grenada.....	15,154	14,293	433	
Jamaica.....				
Leeward Islands—				
Antigua.....				
Dominica.....				
Montserrat.....				
St. Kitts-Nevis.....	647	637		
Virgin Islands.....				
St. Lucia.....	29	29		
St. Vincent.....	243	15		229
Trinidad and Tobago.....	16,181	15,486	404	68
Total Imports.....	50,261	47,403	1,625	297
Per cent.....	100.0	94.4	3.1	0.4

NOTE.—Bicycle and Tricycle Parts include "Motor Bicycle and Tricycle Parts" and are entered at value only.

ECONOMIC DEVELOPMENT OF THE AFRICAN COLONIES AND PROTECTORATES

In an address published in the *Manchester Guardian Commercial*, Sir William Clark of the Department of Overseas Trade states that there is much of the world where commercial development has yet to be achieved, and that this is especially true of the continent of Africa. Where such development can be achieved experience shows that trade quickly follows. First comes railway construction, bringing orders for iron and steel products, and then, as the railways open up the areas they serve and stimulate export trade in local produce, there follows a demand for the products of other industries, especially textiles. That rapid progress can be made is illustrated in West Africa by the increase in the exports of cocoa; in Nigeria exports rose from under 5,000 tons in 1914 to 37,000 tons in 1924; exports from the Gold Coast rose from 53,000 tons in 1914 to 223,000 tons in 1924; the combined exports from these two colonies in the latter year exceeded the total world consumption in 1912.

In 1924 the total imports into Nigeria amounted to £11,000,000, against £6,025,000 in 1914; a considerable increase, even allowing for the change in values. The work of development is still going on. The system of multiple unit haulage, consisting of a power unit and trailers, is becoming increasingly popular, and the rapid construction of feeder roads connecting with railheads, which is now proceeding, suggests that this means of transport will play an important part in the opening up of large tracts of productive land at present inaccessible. The total mileage of motor roads in the Gold Coast, again, has increased since the war from 1,300 to nearly 4,000. In Nigeria work has just begun on a new railway, 114 miles long, which will tap an important cotton-growing area. It is estimated that the new line, when completed, will treble the exports of cotton from Northern Nigeria, and a great increase in the production of Nigerian tin may also be expected as the result of the extension of the Eastern Railway and its connections with the Bauchi tin field.

Similarly in East Africa, development has quickly followed railway construction. The total mileage of railways in Kenya and Uganda has increased from 710 miles before the war to 1,180 miles at the present time, including some 100 miles of railways still under construction. The exports of coffee from Kenya have risen from 17,000 cwt. in 1914 to 200,000 cwt. in 1925, while from Uganda the exports of coffee have risen from 162,000 centals to 515,000 centals in 1924. Last year, moreover, Kenya exported 1,000,000 cwt. of maize, exports of which were non-existent five years ago. The total imports into Kenya and Uganda, exclusive of Government goods and bullion, were £2,150,000 in the year ended March 31, 1914. In the year ended December 31, 1924, they had increased to £6,180,000.

TRADE COMMISSIONER A. B. MUDDIMAN'S ITINERARY IN CANADA

Mr. A. B. Muddiman, formerly Canadian Trade Commissioner in Singapore, who is on his way to Rotterdam, is undertaking a tour of Central Canada in the interests of Canadian trade to the Straits Settlements, Siam, and the Dutch East Indies, as well as to Holland. The following is the first part of his itinerary:—

Hamilton.. . . .	April 12-15
Brantford.. . . .	April 16
Guelph.. . . .	April 19
Kitchener.. . . .	April 20
Stratford.. . . .	April 21
Windsor.. . . .	April 22-24
London.. . . .	April 26
Montreal.. . . .	April 29 to May 13

Canadian firms who desire to be brought in touch with Mr. Muddiman are requested to communicate with the Department of Trade and Commerce, Ottawa.

UNITED STATES FOREIGN TRADE IN PULP AND PAPER

TRADE COMMISSIONER FREDERIC HUDD

New York City, March 23, 1926.—In the seven months ending January total imports of paper base stocks into the United States, as well as imports of sulphite and sulphate pulp, decreased. Imports of mechanically ground wood pulp and standard newsprint increased.

IMPORTS OF PULP AND PAPER

Imports of the various lines of pulp and paper compared with those of the previous period were:—

	Quantity	Seven months ending January,	
		1925	1926
		Value	Value
Paper base stocks.. . . .	.....	\$71,453,964	\$68,940,455
Pulp wood—			
Rough.. . . . Cord	172,562	1,950,484	228,120
Peeled.. . . . Cord	475,329	4,740,713	485,539
Rosseed.. . . . Cord	94,625	1,221,202	95,200
Wood and other pulp—			
Mechanically ground wood pulp.. . . . Ton	149,926	4,793,353	181,955
Chemical wood pulp—			
Sulphite, unbleached.. . . Ton	390,539	20,668,306	360,290
Sulphite, bleached.. . . Ton	180,110	13,358,175	158,277
Total sulphite.. . . . Ton	570,649	34,026,481	518,567
Imported from—			
Canada.. . . . Ton	197,329	12,794,972	236,958
Finland.. . . . Ton	31,308	1,594,641	29,560
Germany.. . . . Ton	53,141	3,069,290	34,217
Norway.. . . . Ton	42,536	2,897,063	37,475
Sweden.. . . . Ton	227,711	12,591,356	163,315
Other countries.. . . . Ton	18,624	1,079,154	17,042
Sulphate pulp, unbleached (Kraft pulp) Ton	195,294	10,906,895	173,292
Imported from—			
Canada.. . . . Ton	67,901	4,278,376	73,584
Finland.. . . . Ton	8,760	420,947	9,455
Norway.. . . . Ton	8,475	456,491	5,408
Sweden.. . . . Ton	106,942	5,582,322	81,754
Other countries.. . . . Ton	3,216	168,759	3,091
Sulphate pulp, bleached.. . . Ton	26,295	1,460,166	12,955
Other pulp Ton	1,063	66,457	476
Rags for paper stock .. . Pounds	340,454,319	8,643,209	316,587,235
Waste bagging, waste paper, etc. Pounds	69,553,086	897,292	79,426,947
Old rope and all other paper stock Pounds	51,487,586	2,747,707	40,560,048
Paper and manufactures of Pounds	.....	67,810,348	69,758,848

It will be noted that imports of sulphite from Canada increased, while the imports of sulphite from Germany and Sweden decreased to a noteworthy degree. Imports of sulphite from other countries remain fairly steady, with slight increases or decreases. Imports of sulphate pulp from Canada increased while imports from Sweden decreased.

NEWSPRINT

Total imports of newsprint into the United States increased, and also the imports from Canada. Imports of newsprint from Finland, Norway, and Sweden decreased. The following table shows the imports of newsprint:—

	Quantity	Seven months ending January,	
		1925	1926
		Value	Value
Printing paper			
Standard newsprint.. . Pounds	1,590,278,772	\$58,373,774	1,699,741,075
Imported from—			
Canada Pounds	1,381,640,218	51,824,619	1,517,254,583
Finland Pounds	39,963,448	1,280,382	16,962,059
Germany Pounds	31,168,381	935,121	30,170,651
Netherlands.. . . . Pounds	1,017,960	33,103	352,849
Norway.. . . . Pounds	28,545,898	830,536	14,745,648
Sweden Pounds	97,733,183	3,065,080	70,189,662
Other countries.. . . . Pounds	12,209,684	404,933	50,065,623

OTHER PAPERS

Imports of other kinds of paper and products into the United States in the period were:—

	Quantity	Seven months ending January,		Quantity	Value
		1925	1926		
All other (n.o.s.) .. .. .Pounds	15,177,856	\$ 672,539	7,221,299	\$ 362,144	
Grease and waterproof paper Pounds	671,405	79,631	1,292,975	170,241	
Kraft wrapping paper .. Pounds	12,945,344	524,251	7,161,841	313,549	
All other wrapping paper Pounds	9,126,874	370,823	2,179,340	125,479	
Writing, drawing, bond, etc. Pounds	1,826,701	437,801	2,025,968	485,244	
Surface coated .. .. .Pounds	1,247,786	290,310	870,118	336,960	
Tissue paper .. .. .Pounds	1,480,658	593,642	1,355,026	576,322	
Pulp boards in rolls Pounds	37,800,248	1,035,713	39,434,302	1,017,976	
Other paper boards .. .. .Pounds	18,259,585	420,280	15,663,095	398,428	
Cigarette paper, etc. .. ..Pounds	6,193,779	1,767,744	7,320,922	2,096,300	
Hanging paper, etc. .. ..Pounds	7,410,692	333,267	2,981,897	359,333	
Paper boxes .. .. .Pounds	1,261,866	838,998	1,238,922	674,013	
Pulp or papier-mache and manufactures of .. ..Pounds	.....	.....	233,121	33,280*	
Duplex decalcomania, not printed.. .. .Pounds	316,488	75,114	235,066	59,481	
All other .. .. .Pounds	.....	1,996,461	.....	2,231,676	

* Beginning January 1, 1926.

UNITED STATES EXPORTS OF PAPER AND PULP

United States exports of pulp and paper in the seven months ending January showed some fluctuations as compared with the exports of these lines in the previous period. Exports were as follows:—

	Quantity	Seven months ending January,		Quantity	Value
		1925	1926		
Paper base stocks .. .. .	.....	\$ 2,586,084	.....	\$ 3,397,316	
Pulp wood .. .. .Cu. Ft.	20,549	1,058	297,003	18,371	
Wood pulp—					
Sulphite wood pulp .. ..Ton	13,113	792,262	13,912	890,054	
Soda wood pulp.. .. .Ton	1,066	100,966	1,504	132,839	
Other wood pulp .. .. .Ton	5,158	520,955	4,154	385,568	
Rags and other paper stock Pounds	72,391,000	1,170,843	101,506,293	1,970,484	
Paper and manufactures of Pounds	.....	13,254,797	.....	14,461,441	
Printing paper—					
Newsprint paper .. .. .Pounds	18,853,857	950,675	27,115,774	1,227,026	
Exported to—					
Canada .. .. .Pounds	428,271	32,099	477,019	32,598	
Central America .. .. .Pounds	365,373	20,972	943,502	48,202	
Mexico.. .. .Pounds	1,140,598	60,427	970,881	52,833	
Cuba .. .. .Pounds	8,423,593	364,972	7,109,783	294,143	
South America .. .. .Pounds	3,234,450	158,669	3,632,075	171,898	
China .. .. .Pounds	2,085,471	150,559	5,666,541	255,823	
Philippine Islands .. ..Pounds	2,419,514	112,866	3,319,291	147,777	
Other countries .. .. .Pounds	756,587	50,111	4,996,682	223,752	
Book paper, not coated ..Pounds	12,183,829	1,311,491	10,074,945	1,091,271	
Exported to—					
Canada.. .. .Pounds	861,538	108,788	1,132,577	138,342	
United Kingdom.. .. .Pounds	271,576	59,154	64,946	11,293	
Central America.. .. .Pounds	374,130	40,771	419,657	42,722	
Mexico .. .. .Pounds	1,547,892	172,293	1,107,102	122,232	
Cuba .. .. .Pounds	2,527,188	258,578	2,347,659	227,816	
Argentina .. .. .Pounds	376,475	40,190	450,285	52,987	
Brazil .. .. .Pounds	216,530	27,196	137,390	28,991	
Venezuela .. .. .Pounds	251,883	29,008	538,447	49,821	
Other South America ..Pounds	813,135	90,838	859,541	81,183	
China .. .. .Pounds	3,282,360	295,520	786,471	117,738	
Philippine Islands .. ..Pounds	683,382	66,836	1,070,543	95,380	
Australia .. .. .Pounds	298,820	32,675	271,407	29,506	
Other countries .. .. .Pounds	678,920	89,644	888,920	98,260	
Covered paper.. .. .Pounds	555,787	106,735	769,698	138,205	
Grease and water proof paper Pounds	821,078	97,414	1,253,719	182,032	
Wrapping paper.. .. .Pounds	15,057,651	1,164,993	17,989,855	1,278,415	
Surface-coated paper .. ..Pounds	2,068,982	289,150	2,890,974	384,424	
Tissue and crepe paper.. ..Pounds	1,942,877	533,639	2,358,942	599,208	
Toilet paper.. .. .Pounds	2,569,782	316,288	2,773,745	335,144	
Paper towels and napkins..Pounds	786,079	128,337	1,221,777	171,249	

UNITED STATES EXPORTS OF PAPER AND PULP—*Concluded*

Box board.. . . .Pounds	770,437*	31,827*	20,021,889	666,119
Bristols and Bristol board..Pounds	421,644	52,399	794,087	91,675
Other paper board and straw-board.. . . .Pounds	36,401,712	1,361,709	18,330,723	939,435
Sheathing and building paper..Pounds	6,125,335	299,279	7,792,153	356,351
Wall board of paper or pulp..Sq. ft.	9,168,401	323,648	8,019,546	274,466
Blotting paper.. . . .Pounds	1,507,517	179,365	1,807,973	224,719
Filing folders, index cards, etc.. . . . .Pounds	269,156	87,543	456,976	142,931
Fancy writing paper.. . . .Pounds	302,841	103,130	371,336	132,358
Other writing paper.. . . .Pounds	1,979,032	332,892	3,643,811	595,126
Cigarette paper and books..Pounds	321,877	110,010	277,683	86,983
Paper hangings (Wall pr.)..Yards	12,464,915	303,136	9,794,265	271,520
Paper bags.. . . . .Pounds	6,416,640	550,275	7,469,268	666,337
Boxes and cartons.. . . .Pounds	7,887,030	705,628	11,178,566	832,444
Envelopes.. . . . .Pounds	1,504,057	284,868	1,391,068	271,612
Vulcanized fiber, sheets, strips, rods, etc.. . . . .Pounds	2,411,406	781,497	3,269,930	979,365
Manufactures of vulcanized and indurated fiber.. .Pounds	236,402	107,470	277,623	98,510
Cash register and adding machine paper.. . . .Pounds	741,636	78,311	982,749	103,146
Other paper and paper products.. . . . .Pounds	.....	2,663,088	.....	2,321,320

MEAT SUPPLY OF GERMANY

TRADE COMMISSIONER L. D. WILGRESS

Hamburg, March 24, 1926.—The figures of inspected animal slaughterings in Germany for the last quarter of 1925 have been published in *Wirtschaft und Statistik*. These figures indicate that the heavy increase of animal slaughterings was maintained during the last quarter of the year for most kinds of animals and that in the case of hogs there was even a considerable increase as compared with the previous quarter. This makes the total slaughterings for the year 1925 in excess of those of the previous year. Only in the case of bulls were the slaughterings less than in 1924, while in the case of goats, sheep, hogs, cows, oxen and calves there was a considerable increase. The slaughtering of horses also showed a heavy increase in 1925, especially in the last three months of the year. The following table compares the total inspected slaughterings of the chief kinds of animals during the last two years.

German Inspected Slaughterings

Kind of animal.	No. slaughtered in	
	1924	1925
Oxen.. . . .	307,125	438,388
Bulls.. . . .	378,426	370,516
Cows.. . . .	1,224,955	1,396,468
Young cattle.. . . .	932,311	963,909
Calves.. . . .	3,810,572	4,193,515
Hogs.. . . .	10,257,249	12,004,351
Sheep.. . . .	1,821,914	2,185,610
Goats.. . . .	194,549	230,899
Horses.. . . .	109,431	142,371
Dogs.. . . .	5,070	5,778

Owing to the increased slaughterings in 1925 there has been a great improvement in the domestic supply of meat, which has almost attained the pre-war standard. This is particularly the case with horned cattle. Thus as compared with 1913 the slaughterings last year were only slightly less in the case of oxen, bulls, and cows, but considerably larger in the case of young cattle and calves. More sheep were slaughtered last year than in 1913. The most important falling off from the pre-war standard has been in the number of slaughtered hogs, which in spite of the heavy increase over 1924 were still about 4,370,000, or 27 per cent less than in 1913.

* Beginning January 1, 1925.

Taking the fixed average slaughter weight for Germany and excluding the slaughterings of dogs, the total quantity of meat obtained from the inspected slaughterings in 1925 was 2,077,000 metric tons, divided as follows:—

Meat Production from Inspected Slaughterings, 1925

	Metric tons
Beef..	728,000
Veal..	173,000
Pork..	1,089,000
Mutton and goat meat..	53,000
Horse meat..	34,000
Total..	2,077,000

In 1924 the final figures of the Meat Inspection Service showed a total production of 1,821,000 metric tons of meat, so that in 1925 there was an increase of 256,000 metric tons. On the other hand, on the basis of pre-war average slaughter weights the meat production from inspected slaughterings in 1913 was 2,426,000 metric tons or 349,000 metric tons more than last year.

In 1925 the excess of imports of meat into Germany over exports abroad amounted to 396,000 metric tons. The quantity of meat obtained from uninspected slaughterings may be assumed to be approximately the same as in 1924, viz. about 469,000 metric tons. On this basis the total domestic production of meat in Germany during the year 1925 would be 2,942,000 metric tons, as compared with 2,646,000 metric tons in 1924 and about 3,100,000 tons in the years immediately preceding the war. The latter figure is based on the present territory of Germany. The per capita consumption of meat in Germany therefore amounted in 1925 to about 103 pounds 10½ ounces as compared with 93 pounds 11½ ounces in 1924 and about 114 pounds 6 ounces in 1913.

The following table compares the imports of various kinds of meat into Germany during the last two calendar years:—

Imports of Meat into Germany

	Metric tons 1924	Metric tons 1925
Fresh beef and veal	2,871	35,874
Frozen beef and veal offals..	2,834	2,615
Frozen and chilled beef and veal..	76,679	114,539
Beef and veal, simply prepared..	1,571	1,225
Fresh pork..	15,513	63,052
Frozen pork offals..	4,457	4,453
Frozen and chilled pork..	5,355	1,307
Pork, simply prepared..	12,911	5,892
Pickled and smoked hams..	333	295
Fresh and salted mutton..	95	177
Frozen and chilled mutton..	1,277	642
Bacon, fresh or salted..	24,816	8,431
Bacon, chilled or frozen..	2,179	920

The most notable features of the above table are the great increases in the importation last year of fresh meat and frozen beef and the falling off in the imports of bacon, frozen pork and salted pork. These changes reflect the consequences of the imposition of the duties on live stock and meat, which became effective in regard to fresh meat and live stock on September 1 and in regard to other meats on October 1. The provision of the duty-free importation of frozen meat within the limits of the 1924 imports has tended to favour the importation of frozen beef as against other frozen meat. The imports of bacon have been restricted by the imposition of the duty on this product. In the period immediately preceding the imposition of the duties there was a considerable importation of certain kinds of meat.

COPENHAGEN MARKET FOR CANADIAN APPLES

Although the Hamburg apple trade in the past three seasons has diverted a part of the business, the Copenhagen apple market is now of considerable importance, writes Trade Commissioner L. D. Wilgress in Apple Supplement No. 52 to the *Commercial Intelligence Journal*, copies of which may be obtained free of charge on application to the Department of Trade and Commerce, Ottawa. Due to the relatively high rates of wages, the general standard of living and the average purchasing power of the Scandinavian countries are greater than in any other section of continental Europe with the possible exception of Holland. The tariff discrimination now enforced by Germany against Canadian apples as compared with apples from the United States further enhances the relative importance of the Scandinavian market for Canadian apple shippers.

The apple crop in Denmark is usually consumed by Christmas, after which there is a good demand for North American apples for the better class trade. During the 1924-25 season a total of around 100,000 boxes and 50,000 barrels of North American apples were sold on the Copenhagen auctions.

The apples sold at the auctions are chiefly purchased for the account of wholesale fruit dealers in Denmark, South Sweden, and parts of Norway, Finland, and the Baltic States, but these latter countries import a large proportion by direct purchase and also at the Hamburg auctions. Better facilities exist in Norway for direct shipments or transshipment from Great Britain than purchases through either Copenhagen or Hamburg.

The Copenhagen auctions in competition with Hamburg are handicapped by a more restricted demand, less frequent steamship connections, higher initial freight rates, and higher handling charges. On the other hand, the brokerage commission at Copenhagen is 1 per cent less and demand is more stable.

The Copenhagen auctions are held every Tuesday afternoon by two firms of brokers at an exchange club in the centre of the city. From 3,000 to 7,000 boxes of North American apples are offered each week and offerings of barrel apples up to 5,000. The usual charges are 5 per cent commission and a Government tax of a quarter of one per cent on all sales. These charges are payable by the seller. The two apple brokers who hold the auctions have storage sheds with heating facilities during cold weather, and there the apples are inspected by prospective buyers just before the auctions. The apples after being purchased may be left in the shed for four weeks without charge. The cost of discharging and handling amount to about 22 cents per box and 39 cents a barrel. There is also a customs duty of 5 cents a box and 18 cents a barrel.

A large proportion of shipments are made from New York, where there is a direct fortnightly service maintained with Copenhagen by two lines. Apples also reach Copenhagen after being transhipped at London, Antwerp, or Hamburg.

Prices for Ben Davis apples No. 1 packed in barrels have ranged from \$6 to \$7.25 during this season. No. 1 Baldwins in barrels have brought about \$7. The price for extra fancy boxed Newtowns have been around \$3.75. These apples shipped from British Columbia of the same grade have brought from \$3 to \$4 per box.

Although not so large as in Norway and Sweden, there is a considerable quantity of apples imported on contracts placed through agents whose commission is usually 5 per cent. The terms are generally cash against documents at a bank in Copenhagen.

The chief varieties of boxed apples sold in Copenhagen are Jonathans, Winesaps, Spitzenbergs, and Yellow Newtowns. Medium-sized apples are chiefly required, the greatest preference being for sizes 180 to 188. Only extra fancy and fancy grades should be shipped, with the larger proportion of the former. Most of the boxed apples are bought for the Christmas trade.

Copenhagen offers a good opening for Canadian apples in barrels. Gravensteins and Kings No. 1 grade are in demand till the 1st of December. For the remainder of the season Ben Davis and Baldwins are the popular fruits. Only No. 1 grades should be shipped. However, if the Dutch crop is light there is a demand for No. 3 Baldwins after Christmas at good prices. Strong emphasis is laid on colour requirements, and well-coloured Baldwins are in particular demand, Ontario apples of this variety being specially appreciated.

During the first part of the present season British Columbia Jonathans in boxes were imported into Copenhagen chiefly on contract. About 4,000 boxes of Yellow Newtowns from British Columbia were sold at the auctions after Christmas. There were also some imports of Ontario Baldwins in barrels. Canadian trade returns for the calendar year 1925 show exports of apples to Denmark amounting to 5,470 barrels valued at \$31,906, all of which were shipped after September.

WHEAT AND FLOUR MARKET IN CHINA DURING 1925

TRADE COMMISSIONER L. M. COSGRAVE

Shanghai, March 6, 1926.—The trade in foreign wheat and flour during the past year was on the whole extremely good. Large orders were placed by Chinese mills for Canadian wheat and flour owing to their relative cheapness. Consumption in these markets has expanded consistently in recent years. The Customs statistics for 1925 are not yet published, but taking the previous three years, the import figures of wheat and flour were as follows:—

WHEAT IMPORTS INTO CHINA

	Piculs	Taels
1922..	873,142	3,057,807
1923..	2,595,190	9,096,065
1924..	5,145,367	17,689,749

FLOUR IMPORTS INTO CHINA

	Piculs	Taels
1922..	3,600,967	16,740,497
1923..	5,826,540	27,232,948
1924..	6,657,162	30,097,693

1 picul = 133½ pounds.

There has been a remarkable growth in the volume of Canadian wheat taken by the Chinese mills, and this has been particularly pronounced during 1924. Imports of Canadian wheat increased from 298,037 piculs valued at 1,136,758 taels in 1923 to 2,163,290 piculs worth 6,961,128 taels in 1924; and there was a further increase in 1925, although purchases slackened off on the report of a bumper Russian wheat crop gaining currency, with the general anticipation of lower prices. But for this report, which turned out to be erroneous, it is likely that the year's purchases of Canadian wheat, and also of other foreign wheats, would have been doubled, as prices were cheap on the basis of what was being asked for Chinese wheat.

ANTICIPATED WHEAT SHORTAGE

After the opening of the new wheat season, which begins in the first week of June, mills began to realize that the China crop would not be sufficient to supply the needs of the many local mills and a shortage of native supplies was anticipated in October. A recognition of this fact induced the Chinese mills to make provision for their future needs by taking advantage of the cheap prices of foreign wheat then prevailing. Where in ordinary times the buying of imported wheat does not commence until about December and January, it set in last year much earlier than usual, and business on a large scale was concluded early in August. During this month local mills contracted for 60,000 tons of

Canadian wheat at prices ranging from G.\$49 to G.\$51.50 per ton for the No. 3 grade, which worked out at the exchange of that time to 4.55 taels per picul. Canadian wheat was underselling American supplies, which were rated at that time at G.\$57 per ton against Canadian G.\$49 for No. 3 and G.\$50.10 for No. 2 quality per ton of 2,000 pounds. In other words, at the then exchange Canadian wheat was costing the Chinese mills about 4.25 taels per picul for No. 3 grade and 4.34 taels for No. 2, against the prevailing quotation for Chinese wheat of 4.10 taels. Canadian wheat is far superior to the Chinese product, and this fact together with the uncertain prospects ahead of the mills in the matter of securing abundant native supplies induced the millers to begin to make their purchases. There was the likelihood of a bumper wheat crop in Canada and the prospects for Russia making large shipments of grain were believed to be good, and Canadian prices at this time were lower than American.

Early in the season, as reports of large crop increases in Europe and in Canada began to come in, prices started downwards at a rapid rate. Cabled prices dropped from G.\$1.70 in May to G.\$1.52 in September. Reports that the Northern Hemisphere crops outside of Russia were much greater than last year's, that Russia was harvesting a crop of 660,000,000 bushels, of which she would export a considerable portion, and that good crops were in progress in the Southern Hemisphere, all contributed to the fall. Influenced by these bearish reports, the Chinese millers were induced to refrain from further purchases, but the trend of events soon proved that they were wrong in anticipating further price recessions, for suddenly the price movement was reversed, largely because of the reported unfavourable weather in the harvest season, and to the discounting of Russia's large export surplus.

MOVEMENT OF SUPPLIES AND PRICES

In reviewing the wheat and flour market, it is necessary to divide it into two periods, namely, the latter half of the season 1924-25 and the first half of the present season, 1925-26. With regard to the second half of the past season, the hoped-for heavy movement of wheat stocks from the interior did not seem possible for some time, as transportation conditions continued unsettled. A steady rise in the price of flour was evidenced with a continued demand from both North and South China, while some speculation was reported following this demand, which also tended to keep the market firm. Foreign flour in February was about 70 tael cents a bag higher in price than native flour. At about this time, due to the increased cost of foreign bread, local bakeries issued a notice that, beginning on February 9, there would be an increase in the price of bread, as the price of flour had increased since July, 1924, from G.\$6.10 a barrel to G.\$10.70. Another important event in February was the burning of the Foh Sing No. 1 mill, one of the largest in Shanghai.

There was sufficient wheat in the interior to care for the mills until the new crop in June. The Shanghai mills continued to operate at normal capacity. Flour prices in March continued to be high owing to speculation, and the local mills were looking for a decided reduction in price when large holders attempted to unload their purchases. Exports of flour to Tientsin and points supplied by Tientsin mills were good, wherever it was possible to arrange adequate transportation. Special brands of flour from the United States and Canada continued to reach Shanghai in about normal quantities. During the first quarter of the past year the largest single order noted was for some 50,000 sacks of Canadian flour. About the same period some Japanese-milled flour was sold at prices slightly under the local market, but quantities were comparatively small. Local stocks of both wheat and flour in April were low, and as imported wheat was too high to be of value then, it was felt that short-time was probable in the Shanghai flour mills between April and the middle of June, when the first of the new crop Chinese wheat would begin. Conditions became such that it was decided by local mill operators to close down for a period of thirty days preceding the arrival of the new wheat crop.

OLD CROP SUPPLIES AVAILABLE

As a matter of fact, there was plenty of wheat of the old crop in the country, but on account of military operations along the railroads transportation was impossible. The closing down before the coming on the market of the new season crop gave the millers an opportunity of making much-needed repairs. On the other hand, exports of flour continued to be in good volume, with the Malay States as the destination. This exportation, in fact, caused a shortage from March to May, with a consequent increase in price. However, the increase was not sufficient to make the purchase of foreign flour profitable, and imports from Canada and Japan kept at a normal level.

The stoppage of bulk electrical power to the Shanghai industries during the strike period did not affect the flour mills, as they were classed as producers of foodstuffs. Since the closing down in June, the mills have operated on full schedule. The new wheat was producing a quality of flour which was being offered at slightly above the prices of the previous year, and as the indications were that North China and Manchuria would have a small wheat crop, by the beginning of July speculators contracted for approximately half a million bags of foreign flour. This was not an exceptional volume, but it is interesting to note that contracts were made so early in the season and at a time when the new crop of Central China was coming on the market in good quantities. These early purchases were an indication that China would be a buyer of foreign wheat as well as flour sooner than was anticipated. On the exchange foreign flour was being offered at slightly above the prices ruling for the Chinese product, as in July native flour was quoted at 2.35 taels per bag, while for forward delivery the quotation was 2.10 taels against 2.15 taels commanded by foreign flour.

While the Yangtze Valley crop was as good as the previous year, the Anhwei crop, which ordinarily reaches Shanghai, was being shipped to Northern China mills. Losses in transportation to Shanghai, due to pilfering on the line of route, were too heavy to make the use of this wheat by the mills in that centre profitable. In addition to the loss of the supply from this province, the carry-over of wheat from the past season to the new one was practically *nil*, while last season there was a sufficient carry-over from the heavy imports of the previous season to run the Shanghai mills for two or three months. The local mills continued to run on normal schedule and reported a good volume of business, both domestic and export. Forward price of Chinese wheat in August was about 4.30 taels per bag. The abnormally heavy losses in transit made it then profitable for the Shanghai mills to buy Canadian No. 2 wheat at the equivalent of 4.60 taels per bag. The closing of the cotton mills caused a temporary shortage of cotton sacks, with a resulting rise in price which was keenly felt by the flour mill operators. The use of paper bags was considered, but the plan was abandoned.

PREFERENCE FOR FOREIGN WHEAT

During August and September the price of Chinese wheat dropped 50 tael cents per picul, and was quoted at 3.80 taels. This reduction was due to the world price of wheat, which made it possible for the Chinese flour mills in the Shanghai area to purchase about 100,000 tons of Canadian wheat at approximately 4.20 taels per picul. The operators prefer foreign wheat because it is not only cleaner but produces a better grade of flour. Whenever the difference in price of foreign and Chinese wheat is not more than from 30 to 40 tael cents per picul, the former is bought. Another advantage in purchasing foreign wheat is that purchases of large quantities have no effect on the market; on the other hand, an inquiry for 100,000 tons in the Chinese market would immediately cause an increase in price. Since the opening of the season in June last up to the middle of September 100,000 tons of Canadian wheat and approximately \$3,000,000 worth of American and Canadian flour was bought for the China market through Shanghai.

The native flour mills, after running at full capacity since the opening of the present season, slackened off in October, when they operated at about half-time. This condition was caused by the exhaustion of the available Chinese wheat supply and the fact that the foreign wheat which was ordered would not arrive until November. An embargo on all cereals and grains which was in effect at Hankow made it impossible to ship the wheat from the provinces of Hupeh and Honan, and the supply which normally would be available from Anhwei and Shantung could not be moved on account of disrupted transportation. This left the local market practically bare of supplies. Up to the middle of October about 150,000 tons of Canadian No. 2 and No. 3 wheat were ordered by the local mills, Canadian wheat being quoted by the middle of October at 4.26 taels per picul against Chinese wheat standing at 4.10 taels.

In December the flour mills were operating on foreign wheat, and it was only through the arrivals of Canadian supplies that they were enabled to keep going. The flour mills reported that the Canadian No. 2 wheat which they were using in December contained more moisture than usual, tests on the stock showing a moisture of 15.8 per cent, which was 3.8 per cent greater than previous season's imports.

Sufficient foreign wheat arrived in Shanghai during December to allow the Chinese mills to operate at full capacity. However, stocks available are not deemed sufficient to last until the new China crop is harvested, and it appears that further purchases for at least a month's supply may be placed shortly or at such time as the price is favourable. Although Dairen on account of the wheat shortage purchased flour amounting to \$3,000,000 in value, the dealers of this area were again in the market in this month and were buying flour in Shanghai. This increased demand reacted in raising the price of the local product from 2.40 taels to 2.52 taels. The price of foreign flour stood at the end of the year at 2.60 taels per bag, a figure too high to permit of the placing of much business.

TARIFF CHANGES AND CUSTOMS REGULATIONS

South African Tariff Changes: Wheat and Flour Affected

Mr. G. R. Stevens, Canadian Trade Commissioner, Cape Town, cables that the new South African budget, March 31, will increase duties on thirty-four tariff items. He adds that these are not of importance to Canada, except as regards item 15-A (wheat in the grain, ground or otherwise prepared, and bran). On this item the duty is increased five pence in each column; that is to say maximum tariff and minimum tariff. This will make the item read as follows:—

Item No.	Article.	Minimum Duty	Maximum Duty
15.			
(a)	I. Wheat, in the grain per 100 lbs..	1s. 5d. (1)	1s. 7d.
	II. Wheat ground or otherwise prepared per 100 lbs.. . . .	3s. 4d. (1)	3s. 8d.
	III. Bran, wheaten, per 100 lbs..	1s. 5d.	1s. 7d. (1)

N.B.: (1) applies to Canada.

Greek Flour Restrictions

With reference to the announcement in *Commercial Intelligence Journal* No. 1149 (February 6, 1926, page 187), concerning the removal of certain restrictions applicable to flour entering Greece, Mr. J. J. Guay, Acting Canadian Government Trade Commissioner at Milan, cables that advice has been received from Athens to the effect that a further decree has been signed, but not yet published, regulating chemical conditions of flour, similar to those prevailing last year. It has not been stated that the new regulations are actually in force.

Change in Greek Wheat and Flour Duties

According to a cablegram received from Mr. J. J. Guay, Acting Canadian Government Trade Commissioner at Milan, the duty on wheat and wheaten flour entering Greece has been increased by changing the method of conversion of the nominal gold drachma of the tariff into paper currency. The basic duty (minimum tariff) on wheat is 6 drachmas per 100 kilogs, and on flour 9 drachmas. Under the new provision these duties are payable at 5 paper drachmas for one gold in the case of wheat and 4 paper drachmas for one gold in the case of flour. The result is that the basic duty on wheat is now 30 paper drachmas and on flour now 36 paper drachmas per 100 kilogs. Formerly, the multipliers were such as to give 27 paper drachmas for either wheat or flour. The present exchange value of the Greek paper drachma is 0.0136 cent. The value of the gold drachma is 19.3 cents, but as indicated duties are not payable in actual gold drachmas. According to a legislative decree published January 12, 1926, minimum import duties were adopted for certain goods, even when imported from countries with which Greece has not entered into a commercial convention.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING APRIL 6, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending April 6, 1926. Those for the week ending March 29, 1926, are also given for the sake of comparison.

	Parity	Week Ending	
		March 29, 1926	April 6, 1926
Britain	1.00	\$4.86	\$4.8575
Czecho-Slovakia	1.	.203	.0296
France	1.	.193	.0340
Italy	1.	.193	.0402
Holland	1.	.402	.4008
Belgium	1.	.193	.0382
Spain	1.	.193	.1409
Portugal	1.	1.08	.0520
Switzerland	1.	.193	.1926
Germany	1.	.238	.2382
Greece	1.	.193	.0134
Norway	1.	.268	.2127
Sweden	1.	.268	.2683
Denmark	1.	.268	.2618
Japan	1.	.498	.4568
India	1.	2s.	.3675
United States	1.	\$1.00	1.0012
Mexico	1.	.498	.4875
Argentina	1.	.424	.3975
Brazil	1.	.324	.1430
Roumania	1.	.193	.....
Jamaica	1.	4.86	4.8800
British Guiana	1.	1.	4.8800
Barbados	1.	1.	.....
Trinidad	1.	1.	.....
Dominica	1.	1.	.....
St. Kitts	1.	1.	.....
Grenada	1.	1.	.....
St. Vincent	1.	1.	.....
Tobago	1.	1.	.....
Shanghai, China	1.	.708	.7293
Batavia, Java	1.	.402	.4025
Peru	1.	4.86 1/2	3.8425
Singapore, Straits Settlements .. \$	1.	.567	.5725

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

316. CANNED GOODS.—An Antwerp firm wish to hear from Canadian exporters of canned fruits, canned fish, and canned milk.

317. CANNED AND DRIED FRUITS.—An agent in Bremen, Germany, desires the agency of Canadian producers of canned and dried fruits.

318. CANNED FISH.—Canadian exporters of canned fish such as salmon, lobsters, crabs, and shrimps are requested to communicate with a firm in the Piræus, Greece.

319. CANNED FISH.—An agent in Bremen desires an agency of Canadian producers of canned fish.

320. DRIED FISH.—A Greek firm in the Piræus desire to act as agents for Canadian exporters of codfish.

321. PACKING HOUSE PRODUCTS.—An agent in Bremen desires the agency of Canadian producers of packing house products.

322. CANNED FISH.—An agent in Bremen desires the agency of Canadian producers of wheat flour.

323. FLOUR.—A firm in the Piræus are anxious to communicate with Canadian millers and exporters of flour.

Miscellaneous

324. DRUGS, HERBS, ROOTS, ETC.; RUBBER GOODS.—A London company wish to obtain the sole selling agencies, on a commission basis, of Canadian exporters of drugs, herbs, roots, etc., and also of manufacturers of hygienic, surgical, and household rubber goods.

325. PAPER NAPKINS.—Canadian manufacturers of paper napkins are requested to forward samples c.i.f. Piræus and prices, including commission, to a firm of commission agents in Athens.

326. WOOLLEN UNDERWEAR.—An Argentine manufacturers' agent wishes to receive samples and prices of woollen underwear, similar to Wolsey. Full particulars should be sent to the Canadian Trade Commissioner at Buenos Aires. Samples should be sent by sample post.

327. GRAPHITE.—An agent in Bremen desires the agency of Canadian exporters of graphite.

328. ASBESTOS.—An agent in Bremen desires the agency of Canadian exporters of asbestos.

STEAMSHIP SAILING BETWEEN ST. JOHN AND MEDITERRANEAN AND INDIAN PORTS

In connection with the sailing of the ss. *Nile*, of the American-India Line, which is announced to leave St. John about April 21 for India direct making the following ports of call: Port Said, Suez, Karachi, Bombay, Colombo, Madras, and Calcutta,—it should be noted that cargo will also be accepted for Rangoon, and through bills of lading issued to Red Sea, Persian Gulf, East African and Indian coast ports. Messrs. H. E. Kane and Co., St. John, are the agents for the line.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Halifax

To HULL.—Ariano, Furness, Withy, April 12.

To LIVERPOOL.—Newfoundland, April 20; Sachem, May 15—both Furness, Withy; Regina, April 14; Colonian, April 23—both White Star-Dominion.

To COBH (QUEENSTOWN).—Alaunia, Cunard Line, April 12.
 To MANCHESTER.—Colonian, White Star-Dominion, April 23.
 To LONDON.—Ariano, Furness, Withy, April 12.
 To ST. JOHN'S, Nfld.—Newfoundland, April 20; Sachem, May 15—both Furness, Withy; Skipper, April 16, April 30; Sambro, April 23—both Farquhar SS.
 To BERMUDA, ST. KITTS, ANTIGUA, MONTSERRAT, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Chaleur, April 23; Chignecto, May 7—both R.M.S.P. Co.
 To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Forester, C.G.M.M., May 1.
 To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Carrier, C.G.M.M., April 16.
 To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, April 21.
 To SANTIAGO, KINGSTON AND MONTEGO.—Andalusia, Pickford & Black, May 5.
 To NEW ZEALAND PORTS.—Canadian Conqueror, C.G.M.M., April 24.
 To AUSTRALIAN PORTS.—Canadian Scottish, C.G.M.M., April 24.

From St. John

To LONDON.—Marloch, Canadian Pacific, April 22; Canadian Rancher, April 14; Canadian Aviator, April 21—both C.G.M.M.
 To CARDIFF AND SWANSEA.—Canadian Leader, C.G.M.M., April 21.
 To LIVERPOOL.—Montclare, April 16; Metagama, April 23—both Canadian Pacific.
 To SOUTHAMPTON.—Melita, Canadian Pacific, April 15.
 To MANCHESTER.—Manchester Brigade, Manchester Liner, April 17.
 To GLASGOW.—Concordia, Anchor-Donaldson, April 17.
 To BELFAST AND DUBLIN.—Lord Antrim, Head Line, April 25.
 To AVONMOUTH.—Concordia, Anchor-Donaldson, April 17.
 To ANTWERP.—Canadian Rancher, April 14; Canadian Aviator, April 21—both C.G.M.M.; Melita, Canadian Pacific, April 15.
 To HAVRE.—Hada, Intercontinental Transports Ltd., April 15.
 To ROTTERDAM.—Hada, Intercontinental Transports Ltd., April 15.
 To HAMBURG.—Brant County, Intercontinental Transports Ltd., April 26; Balfour, Canadian Pacific, April 24.
 To SOUTH AMERICAN PORTS.—Harmonides, Houston Line, April 20.
 To ST. KITTS, ANTIGUA, MONTSERRAT, DOMINICA, ST. LUCIA, ST. VINCENT, AND GRENADA.—Chignecto, R.M.S.P. Co., April 25.
 To AUSTRALIAN AND NEW ZEALAND PORTS.—Baron Murray, New Zealand SS., April 20.
 To WEST AND SOUTH AFRICAN PORTS.—Cochrane, Elder Dempster Line, April 15.
 To PORT SAID, SUEZ, KARACHI, BOMBAY, COLOMBO, MADRAS AND CALCUTTA.—Nile, American-India Line, April 21.

From Vancouver

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Russia, Canadian Pacific, May 1.
 To YOKOHAMA, KOBE, SHANGHAI, HONG KONG AND MANILA.—Empress of Canada, Canadian Pacific, April 17.
 To YOKOHAMA, KOBE, MOJI, DAIREN, TAKU AND SHANGHAI.—London Maru, Osaka Shosen Kaisha, April 12.
 To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Africa Maru, Osaka Shosen Kaisha, April 24.
 To YOKOHAMA, KOBE, MIKE AND HONG KONG.—Protesilaus, Blue Funnel, April 29.
 To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Aorangi, Canadian-Australasian Line, May 5.
 To LIVERPOOL, AVONMOUTH AND GLASGOW.—Canadian Transporter, C.G.M.M., April 28.
 To LIVERPOOL.—Loch Katrine, middle April; Dinteldyk, end April—both North Pacific Coast Line.
 To LONDON AND ANTWERP.—Canadian Ranger, C.G.M.M., May 10; Loch Katrine, middle April; Dinteldyk, end April—both North Pacific Coast Line.
 To LONDON, HAMBURG, ANTWERP AND BEEMEN.—Kermi, United American Lines, May 1.
 To MANCHESTER.—Pacific Shipper, Furness Line, April 27.
 To BORDEAUX, HAVRE AND ANTWERP.—Notre Dame de Fourviere, Cie. Gle. Transatlantique (French Line), April 21.
 To ROTTERDAM.—Loch Katrine, middle April; Dinteldyk, end April—both North Pacific Coast Line.
 To BARCELONA, MARSEILLES, GENOA, NAPLES AND TRIESTE.—Cherca, Navigazione Libera Trieste, April 15.
 To AUSTRALIAN AND NEW ZEALAND PORTS.—West Henshaw, April 17; West Cahokia, May 14—both Pacific-Australia Line.
 To PUERTO (COLOMBIA), CURACAO AND TAMPICO.—Point Lobos, Pacific-Australia Line, May 9.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

James Cormack. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

P. W. Cook. Address for letters—P. O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300. Office—North China Daily News Building, 17 The Bund, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Gutrufhaus, Neuerwall 10, Hamburg 36. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czechoslovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watermill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230; office, Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

Netherlands East Indies

R. S. O'Meara, P. O. Box 84, Batavia, Java. (Territory covers Straits Settlements, Federated Malay States, Indo-China, and Siam.) *Cable Address, Canadian.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P. O. Box 683; Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia). *Cable Address, Sleighing, London.*

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Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands). *Cable Address, Canadian.*

Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, April 17, 1926

No. 1159

TABLE OF CONTENTS

	Page		Page
Canadian Representative Travelling Abroad		Wheat and Flour Situation in China	493
Should Visit Trade Commissioners' Offices	481	Czecho-Slovak Glass Industry	494
Trade Commissioner H. R. Poussette's Itinerary in Canada	482	Elimination of Waste in the Distribution of Industrial Catalogues	495
Trade Commissioner A. B. Muddiman's Itinerary in Canada	482	Tariff Changes and Customs Regulations . .	496
Pulp and Paper Trade of Japan	482	Italian Market for Agricultural Machinery .	497
North of England Industrial Conditions .	486	Commercial Conditions in Cuba	497
South African Electrical Supply Undertakings	487	Tenders Invited—	
Canadian Trade with New Zealand and the Tariff Preference	487	Australia	498
Electrical Development in Palestine	488	New Zealand	498
Imports of Machinery and Tools and Implements into British West India Colonies	489	British Malaya's Growing Prosperity . .	499
German Lumber Market	489	Foreign Exchange Quotations for Week ending April 12	499
Taxation of Foreign Firms in Germany . .	489	Trade Inquiries for Canadian Products . .	500
Commercial Conditions in Argentina . . .	490	Proposed Sailings from Canadian Ports . .	501
Trade and Economic Conditions in China .	492	List of Acts Administered and Publications Issued	503
		Commercial Intelligence Service	504

CANADIAN REPRESENTATIVES TRAVELLING ABROAD SHOULD VISIT TRADE COMMISSIONERS' OFFICES

The principals of Canadian firms when travelling abroad, or their representatives, should make a point of calling on the Canadian Trade Commissioners on duty in the countries visited. It would be greatly appreciated if advance notice of their visit were given, so that on their arrival the Trade Commissioner might bring to their attention, from his files, possible inquiries for their goods. Among the matters that might come under discussion with the Trade Commissioner are the demand and prospective demand for specific commodities and the competition to be met with, selling methods and terms, the general standing of individual firms and agents, freight rates and customs duties.

Trade Commissioners will be glad to place the facilities of their office fully at the disposal of the representatives of Canadian firms, and give them suitable introductions to firms interested in the products they handle.

TRADE COMMISSIONER H. R. POUSSETTE'S ITINERARY IN CANADA

Mr. H. R. Poussette, the recently appointed Trade Commissioner to India and Ceylon, has begun a business tour of the Dominion in the interests of Canadian trade, not only with India and Ceylon, but with his former territory in the British West Indies which includes Trinidad, Barbados, and the Windward and Leeward Islands, as well as British Guiana, Porto Rico and Venezuela.

The following is the first part of his itinerary:—

Montreal, Sherbrooke, Drummondville, Lachute, etc.	April 16 to 30.
Brockville	May 3.
Gananoque	May 4.
Kingston and Oshawa	May 5 and 6.
Toronto, Oakville and northern towns	May 7 to 25.
Hamilton	May 26 to 28.
Border Cities	May 31 to June 2.
London	June 3 and 4.
Stratford	June 7.
Guelph	June 8.
Preston and Galt	June 9 and 10.
Brantford, Paris and Woodstock	June 11 to 15.
St. Catharines, Welland and Niagara Falls	June 16 to 18.

Canadian firms who desire to be brought in touch with Mr. Poussette or to interview him are requested to communicate with the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa.

The second part of Mr. Poussette's itinerary, which will include the Prairie Provinces and British Columbia, will be announced later.

TRADE COMMISSIONER A. B. MUDDIMAN'S ITINERARY IN CANADA

Mr. A. B. Muddiman, formerly Canadian Trade Commissioner in Singapore, who is on his way to Rotterdam, is undertaking a tour of Central Canada in the interests of Canadian trade to the Straits Settlements, Siam, and the Dutch East Indies, as well as to Holland. The following is the first part of his itinerary:—

Guelph	April 19
Kitchener	April 20
Stratford	April 21
Windsor	April 22-24
London	April 26
Montreal	April 29 to May 13

Canadian firms who desire to be brought in touch with Mr. Muddiman are requested to communicate with the Department of Trade and Commerce, Ottawa.

PULP AND PAPER TRADE OF JAPAN, 1925

TRADE COMMISSIONER JAMES A. LANGLEY

Kobe, March 10, 1926.—The art of producing "foreign" style paper was not introduced into Japan until 1872, when the Yuko-sha Paper Mill was established in Tokyo, although from ancient times Japanese have been able to manufacture tough paper from the fibres of certain shrubs called *mitsumata*, or *kozu*.

Japan, including Korea and Karafuto, has about fifty paper manufacturing companies, and of these the fourteen leading paper mills have formed a combine known as the Paper Manufacturers' League. They produce almost 90 per cent of the paper manufactured in the country. The kinds of paper now being made in Japan are news, general printings, writing paper, Japanese imitation paper, cigarette paper, book-paper, wrapping paper, and cardboard.

During 1924, due to the brisk demand the importation of foreign paper was unusually large: a total of 181,263,949 pounds was brought in during the year. This quantity did not add materially to the stocks held. The unusual demand occasioned by losses through the earthquake ceased in 1925; and in addition the dullness of trade caused the purchase of foreign-made paper to fall off. For the twelve months ending December, 1925, the total quantity imported amounted

to 101,358,335 pounds valued at 16,510,594 yen. The total imports of each kind of paper and the value thereof are shown by the following figures:—

Kinds of Paper	Quantity	Value
	Lbs.	Yen
Printing paper, less than 58 grs.	8,198,733	1,145,711
Printing paper, more than 58 grs.	14,900,335	2,334,141
Printing paper, art	4,970,092	1,126,638
Printing paper, coloured	2,480,319	438,024
Printing paper	22,667	5,182
Writing paper	4,283,719	1,000,473
Drawing paper	507,210	323,486
Packing and match paper.	48,990,689	6,816,181
Pasteboard.	6,189,065	883,367
Imitation Japanese and tissue paper.	4,281,126	765,544
Imitation parchment paper.	4,675,418	961,810
Wall paper.	128,099	66,941
Filter paper.	1,758	13,423
Chinese paper.	336,544	138,270
Cigarette paper.	95,832	70,986
Blotting paper.	603,161	173,599
Other paper.	693,568	246,818
Grand total.	101,358,335	16,510,594

The principal countries of supply for foreign-made paper in Japan in 1925 were, in order of importance, as follows: Sweden, 34,788,492 pounds (valued at 4,747,487 yen); Germany, 19,830,716 pounds (3,116,871 yen); England, 18,320,765 pounds (3,890,752 yen); Norway, 9,328,343 pounds (1,409,489 yen); Canada, 5,902,714 pounds (795,802 yen); United States, 4,688,563 pounds (1,100,111 yen); Belgium, 3,195,734 pounds (506,947 yen); Holland, 1,828,932 pounds (276,021 yen); and Switzerland, 1,404,698 pounds (190,576 yen). In looking through the details of the above statistics, which are on file at the Department of Trade and Commerce, Ottawa, it is noted that imports from Sweden included 27,241,665 pounds of packing and match paper, those from Germany over 7,000,000 pounds of packing and match paper and nearly 9,000,000 pounds of printing; while 8,500,000 pounds of printing, 3,000,000 pounds of writing, and 3,600,000 pounds of packing and match paper are entered as from the United Kingdom. Norway supplied 3,400,000 pounds of printing, 2,000,000 pounds of packing and match paper, and 2,000,000 pounds of imitation Japanese and tissue paper. Canada's principal contribution was packing and match paper to the extent of 5,779,331 pounds out of a total of 5,902,714 pounds. The United States shipped 1,221,164 pounds of pasteboard and over 893,000 pounds of art printing, the balance being made up principally of packing and match paper and writing paper.

JAPAN'S PRODUCTION OF PAPER

For a long time Japanese mills curtailed their production of paper in order to prevent an oversupply, and extensive additions to equipment were not undertaken. However, the demand commenced to improve in the autumn of 1922, and reached its most favourable point after the earthquake. Consequently mills undertook the extension of their plants in order to meet the seemingly steadily increasing demand. During the early part of 1925 eighteen paper-making machines, with a monthly capacity of 13,980,000 pounds, were installed by members of the Japan Paper Manufacturers' Association, and the installation of seven additional machines, principally newsprint, with a monthly capacity of 11,400,000 pounds, is anticipated in the present year. At the end of the year there was a total of 117 machines in the Associated Mills, with an aggregate monthly capacity of 87,000,000 pounds. In consequence of this increased number of machines the total production of paper for the twelve months of 1925 amounted to 931,772,930 pounds. This is the largest production ever recorded, and is greater by 114,389,606 pounds, or 13.8 per cent, than for 1924. The following

table gives in detail the production and sales of paper during December, 1925, and also the totals for the whole of 1925 and the corresponding totals for 1923 and 1924:—

Kind.	Production Lbs.	Sales Lbs.
Fine printing paper..	13,785,777	13,261,431
Other printing paper..	8,330,127	10,547,480
News paper..	40,324,491	38,320,007
Imitation "Torinoko" paper..	4,164,977	5,046,429
Rolled Hanshi paper..	1,266,716	1,117,632
Match paper..	868,736	790,057
Coloured paper, including printing and packing paper, coloured..	887,672	942,581
Packing paper other than coloured..	3,526,193	3,497,968
Chinese paper..	1,064,673	914,641
Miscellaneous paper..	7,178,701	7,568,530
	<hr/> 81,398,063	<hr/> 82,006,756
January-December, 1925..	931,772,930	898,702,137
January-December, 1924..	817,383,324	804,809,793
January-December, 1923..	729,508,035	709,844,588

Regarding future prospects of the market, the production of foreign paper by the Associated Mills during 1926 will probably reach a very large figure, in addition to which an increased quantity of foreign paper will probably be imported as the foreign exchange advances. The decrease in the importation of foreign paper since the autumn of 1924 was apparently due to the unfavourable condition of foreign exchange, and as it shows such a recovery and has prospects of recovering even more, the tendency will be to import paper during 1926. Unless the demand improves, however, it is feared that there will be an oversupply and a weakening of prices.

Domestic Production and Demand for Pulp

The demand for "foreign" style paper in Japan has been increasing yearly, and more especially since the earthquake. This has caused an increase in the demand for pulp, and although its production in Japan is on the increase the domestic supply is still inadequate, so that consumers have been compelled to import a large quantity annually.

During 1924 Japan produced wood-pulp to the extent of 380,000 tons, and although the figures for 1925 are not available, it is reasonable to think that the production during that year surpassed the 1924 figures. However, the quantity imported into Japan shows a steady increase, as the figures for 1925 show, and they constitute a new high record, as chemical pulp alone reached 74,987 tons, being 38 per cent larger than for 1924 and 130 per cent greater than for 1923. The following table shows the importation of all kinds of pulp since 1913:—

Year	Tons	Year	Tons
1913	46,395	1919	40,581
1914	42,751	1920	46,696
1915	52,406	1921	38,403
1916	54,385	1922	65,866
1917	14,232	1923	35,445
1918	28,769	1924	59,548
		1925	75,775

The domestic output of ground wood-pulp is sufficient to meet the home consumption, but that of chemical pulp falls short by about 60,000 tons per year, or about one-fourth of the total tonnage required. It is estimated that in 1924 the total amount of chemical pulp consumed in Japan amounted to 246,000 tons, of which 194,055 tons were produced locally and 51,945 tons were imported.

The Tokai Shiryō Kaisha is the only mill in Japan that specializes in the making of pulp alone, while the others—the Oji Paper Company, Fuji Paper Company, and the Karafuto Paper Company—produce it for consumption in their own paper mills, and only sell in the open market any surplus they may

have. The Mitsubishi Paper Company, the Tosa Paper Company, the Inui Paper Company, and a score of other mills do not manufacture pulp themselves, but obtain their raw materials for the making of paper from the above mills, as well as from foreign sources.

The production of a good quality of chemical pulp has not yet been attained, although the domestic ground wood-pulp industry has made considerable strides. A noteworthy fact is that while the first-grade European unbleached pulp has been imported at 9.3 sen, the domestic products have sold in Japan at 8.2 sen. Great inconvenience is being occasioned through the difficulty in obtaining suitable supplies of wood, as a result of which the location of pulp mills is being changed. One ray of hope for a steady source of supply of raw materials seems to exist in the forestry concession to Japanese interests recently made by the Soviet Government, and Japanese makers are looking to the maritime provinces of Siberia and Northern Karafuto as well as Northern Manchuria for their raw materials.

During calendar year 1922 imports of pulp (mechanical and "other") into Japan totalled 65,866 tons. In that year Sweden stood at the head of the list with 23,487 tons, or 35½ per cent of the total, and Canada came next with 16,978 tons, or 26 per cent of the total. These countries were followed far behind by the United States and Norway. In 1925 the total imports were 75,865 tons, valued at 14,847,314 yen. Of this total 978 tons valued at 118,243 yen were mechanical pulp, Germany, Sweden, Austria and Norway being the only sources of supply; and 74,980 tons valued at 14,729,271 yen were described as "other". Canada stood highest as a supplier with 30,899 tons, or 40.7 per cent of the total, followed by Sweden with 20,282 tons, or 26½ per cent of the total; the United States with 12,686 tons, or 16½ per cent of the total, and by Germany, Norway, England and Austria in the order named. This shows a great change when compared with the 1922 figures; the supply of pulp from Sweden and Norway has decreased, and that from Canada and the United States has increased, especially Canadian pulp, which in the comparison gained 13,921 tons, or 91½ per cent.

As has been stated, the capacity of Japanese pulp mills has of late been greatly increased and further extensions are under contemplation. If chemical pulp of a good quality could be produced in Japan, with this increased capacity producing to its full extent it would be quite unnecessary to import foreign pulp, but fortunately, from a foreign exporters' point of view, this is not possible, and for some time to come it will be necessary to look to outside sources for the better grades of pulp. It is estimated that about 15,000 tons of imported pulp were carried over into 1926, as a result of which it is the general opinion that this year's importation of pulp will not be as large as that of 1925.

INCREASED CAPACITY OF PULP PRODUCTION

In June, 1925, after having been idle since August, 1922, the Oji Paper Mill's Shingishu (Korean) works, with a yearly capacity of 10,000 tons, resumed operations following which in July, 1925, the Fuji Paper Mills Ochai (Karafuto) works, with a yearly capacity of 6,000 tons, of which the greater part is consumed by the mills themselves, started work. The Karafuto Paper Company's Esutoru Works (24,000 tons annually) commenced operations in November, 1925. The above represents a total producing capacity of 40,000 tons. In June, 1926, the Oji Paper Mills Toyohata (Karafuto) works (16,000 tons annually) will start work. It is anticipated that the Hokuyetsu Mills Nagata works (with a yearly capacity of 6,000 tons), the Fuji Paper Mills Yatsushiro works (3,000 tons annually), Shingu Shoko (1,500 tons), and the Fuji Paper Mills Chitori (Karafuto) works (24,000 tons annually) will all commence production within

the year. In addition, the Yaku River Paper Mills Antung works (13,000 tons) is to resume operations shortly.

At the date of this report foreign pulp quotations remain strong, but the prices in Japan show a slight decline as the paper market is inactive at present. The following are Tokyo quotations:—

Spot Goods

	Price per pound
Karafuto pulp (Oji Mills), "Three Stars"	8.0 sen
Karafuto pulp (Karafuto Co.'s), "Snow"	8.0 sen
Swedish bleached first grade	11.0 sen
Swedish unbleached first grade	9.0 sen
Ground pulp	5.5 sen
<i>Forward Goods—Free Yokohama Hatoba</i>	
Swedish bleached first grade	11.0 sen
Swedish unbleached first grade	9.0 sen

NORTH OF ENGLAND INDUSTRIAL CONDITIONS

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, April 1, 1926.—Conditions in the cotton trade have been much the same during the month of March as in the two previous months. The American spinning section has gone through another very depressing period, although the apparent unwillingness of some spinners to adhere to the short-time working regulations as imposed by the Federation of Master Spinners suggests that certain firms are enjoying a fair trade. As reported in February, mills turning out the finer quality yarns have been busy. Lately buying from India has fallen off, thus affecting export business. Although British cotton goods still enjoy a high reputation in the Indian market, the nature of Lancashire's trade in that country is undergoing a considerable change. Staple goods no longer play such a predominant part, and it is being increasingly recognized that Lancashire will have to lead the way in new and fancier designs to retain her position in that market against the cheaper offerings of competitors.

The course of the recent Australian wool sales has been followed with much interest by the woollen trades, in view of the past uncertainty over prices. The testing period was passed during the latter end of the month, with London and the primary markets making good clearances at hardening rates, and it is now generally agreed that merino wool has been placed on a reasonable basis which, if maintained, should help bring a more healthy condition in this industry.

There has lately been an influx of orders for Bradford dress goods, due it is believed to the expectations of a safeguarding duty against foreign importations. The demand for merino tops has been good, with pressure for prompt delivery being still in evidence. The cross-bred yarn trade continues to feel the lack of demand from Germany.

Although the export demand for Nottingham lace has been quiet with exports for the month of February showing a considerable reduction over the corresponding period of last year, the domestic market has improved. This improvement is partly attributed to the vogue for artificial silk, with which material lace is being extensively used for trimming. The lace curtain trade is fairly busy.

In the iron and steel trades the lull in general business still exists, and some uneasiness has been caused by the continued absence of demand which set in during the latter half of February. One of the hopeful signs for this industry has been the slight improvement in shipbuilding.

The outlook of the shipbuilding industry on the Northeast Coast has been slightly improved, with the recent placing of orders for three ships to be built on the Tees. The launch returns for the Tyne, however, show that for the first two months of the year only 12,600 tons were turned out in comparison with

42,000 tons for the corresponding period of last year. Unfortunately, the North-east Coast has not enjoyed the same improvement reported in other districts.

The engineering trades have passed through a period of unsettlement, owing to an unofficial strike at London. March has been a quiet month among most branches of engineering at Leeds. At Sheffield there has been considerable activity among those sections catering to the motor car industry. The lighter Sheffield trades continue depressed.

The coal market is under the influence of the situation created by the recently issued report of the Coal Commission, and pending a definite decision regarding the carrying on of this trade after April 30, when the subsidy comes to an end, the market is in a state of uncertainty, and buying is proceeding on a very cautious scale.

SOUTH AFRICAN PUBLIC ELECTRICAL SUPPLY UNDERTAKINGS

A table which has been published as a supplement to the *South African Engineer*, giving a summary of the South African public electrical supply undertakings, has been received from Mr. G. R. Stevens, Canadian Trade Commissioner in Cape Town. The present position with regard to each undertaking is given, with generator or transformer capacity, system of generation, distribution system and pressure, and the names of the officials directly associated with the several undertakings. This table is available for consultation on application to the Department of Trade and Commerce, Ottawa (quote file No. 26234).

CANADIAN TRADE WITH NEW ZEALAND AND THE TARIFF PREFERENCE

Mr. D. H. Ross, Canadian Exhibition Commissioner at the New Zealand and South Seas Exhibition which is being held at Dunedin, and Mr. C. M. Croft, Canadian Trade Commissioner to New Zealand, have jointly issued a circular letter to Canadian manufacturers and exporters in which they point out that from the unrevised trade returns of New Zealand for 1925, it would appear that many Canadian manufacturers are not aware of the importance of New Zealand as a market for their goods and products, nor do they value—to the extent they should—the material advantage they enjoy over their chief competitors (on most lines they export to New Zealand) in the substantial tariff preference extended to them in this sister Dominion.

From the earliest settlement of New Zealand, there has existed a strong bond of inter-Empire sentiment towards Canada. That this sentiment has been—and is—reciprocated is evidenced by Canada's participation in the Christchurch Exhibition of twenty years ago, and in the present splendid Canadian Court in the Dunedin Exhibition.

It is an accurate deduction that no two British Dominions are more closely allied in bonds of friendship and mutual goodwill than those which are maintained between New Zealand and Canada. Hence it may not be presumptuous to suggest that Canadian manufacturers should endeavour to profit by this sentiment, by making a more determined effort to secure a larger proportion of the trade which waits more energetic exploitation.

In order to illustrate the advantage which Canada enjoys under the British preferential tariff, the following table, covering items of special interest to Canadian manufacturers and exporters, has been prepared, in which for ready comparison sterling rates have been converted into dollars and cents.

Items	Rate of Duty	
	Brit. Pref. Tariff	General Tariff
Fish, preserved, n.e.i.	4 cents lb.	6 cents lb.
Fish, preserved, salmon	3½ cents lb.	6 cents lb.
Confectionery, n.e.i.	4 cents lb.	6 cents lb.
Confectionery, chocolate, plain trade pkgs.	6 cents lb.	10 cents lb.
Confectionery, chocolate, fancy packages	20% ad val.	35% ad val.
Apparel, n.e.i.	25% ad. val.	40% ad val.
Boots and shoes, n.e.i.	25% ad. val.	45% ad val.
Boots and shoes, children's (0-9)	Free	20% ad val.
Hosiery	25% ad. val.	40% ad val.
Iron: Bar, bolt and rod	Free	20% ad val.
Hardware and metal manufactures, n.e.i.	20% ad val.	35% ad val.
Pipes, wrought iron, under 6-in. internal diameter	Free	20% ad val.
Nails, n.e.i.	\$9.73 ton	\$19.47 ton.
Nails lead-headed and galv. cup-headed roofing nails	20% ad val.	35% ad val.
Nails, and tacks under 1 in.	Free	10% ad val.
Artificers' tools and implements	Free	10% ad val.
Fencing wire	Free	10% ad val.
Other wire, viz.: Copper; iron, n.e.i.; metal wove wire; and other, plain	Free	10% ad val.
Agricultural machinery, n.e.i.	Free	Free
Agricultural machinery, viz.: Spring-tined cultivators, disc harrows, seed and fertilizer sowers or drills (combined or separate), seed cleaners, cellular seed separators.	10% ad val.	20% ad val.
Electrical machinery	Free	10% ad val.
Leather, sole, being bends each weighing 14 pounds net or over	6 cents lb.	10 cents lb.
Leather, n.e.i., and belting.	15% ad val. or 6 cents lb.	25% ad val. or 10 cents lb.
	(whichever is higher)	
Rough sawn douglas fir	2/- 100 sup. ft.	2/- 100 sup. ft.
Rough sawn cedar	Free	Free
Rough sawn hemlock	2/- 100 sup. ft.	2/- 100 sup. ft.
Sawn dressed hemlock	4/- 100 sup. ft.	4/- 100 sup. ft.
Sawn dressed spruce	4/- 100 sup. ft.	4/- 100 sup. ft.
Doors and sashes	20% ad val.	35% ad val.
Printing paper, in rolls over 10 in. wide or sheets not less than 20 in. x 15½ in., or equivalent	Free	20% ad val.
Printing paper, in smaller sizes than above	20% ad val.	35% ad val.
Wrapping paper, in rolls over 10 in. wide or sheets not less than 20 in. x 15½ in. or equivalent	\$1.22 cwt. or 20% ad val.	\$2.13 cwt. or 35% ad val.
	(whichever is higher)	
Wrapping paper, in smaller sizes than above	25% ad. val.	40% ad val.
Motor cars and chassis for.	10% ad val.	25% ad. val.
(Body duty in addition to ad valorem.)		
Single-seated body	\$24.33 each	\$36.50 each
Double-seated body	\$48.66 each	\$73.00 each
Fixed or moveable canopy tops, e.g., landaulette, limousine, taxi-cab, and similar types, n.e.i	\$73.00 each	\$109.50 each
Motor lorries, and chassis for	10% ad val.	25% ad. val.
Motor tires	10% ad val.	25% ad. val.
Motor vehicle parts	10% ad val.	25% ad. val.

TOTAL IMPORTS INTO NEW ZEALAND FROM ALL COUNTRIES: SHOWING PROPORTION OF TRADE OBTAINED BY THE UNITED KINGDOM, CANADA, AND THE UNITED STATES

Year	Total Imports	From U.K.	From Canada	From U.S.A.
1923	£43,378,493	£22,532,205	£2,950,984	£6,956,602
1924	48,527,603	23,203,825	3,909,152	7,788,593
1925	52,476,407	27,271,321	3,906,152	8,629,449

ELECTRICAL DEVELOPMENT IN PALESTINE

Industrial activity is expanding along the most modern lines in the Mandated Territory of Palestine, and even an export trade in certain classes of manufactured goods is making rapid headway—soap affording a prominent example, says the *British Export Gazette*. Still further developments may be anticipated as a direct result of the concession which has now been granted to an electric corporation for the right to exploit the water supply of the country for the production of electricity. The scheme involved in this concession is that of harnessing the falls of the River Jordan at an estimated cost of £2,000,000, a preliminary agreement in regard to which was signed.

IMPORTS OF MACHINERY AND TOOLS AND IMPLEMENTS INTO BRITISH WEST INDIA COLONIES

(Year ended December 31, 1924)

Compiled by External Trade Branch, Dominion Bureau of Statistics

Colony	Imports from—							
	Total Imports		United Kingdom		Unites Stated		Canada	
	Mach- inery	Tools and Im- plements	Mach- inery	Tools and Im- plements	Mach- inery	Tools and Im- plements	Mach- inery	Tools and Im- plements
	\$	\$	\$	\$	\$	\$	\$	\$
Bermuda.....	129,190		26,674		102,516			
British Guiana.....	1,356,609	100,315	1,002,657	72,435	329,536	24,547	4,389	1,403
British Honduras.....	76,106	24,420	14,693	6,010	58,628	17,060	1,433	1,217
Bahamas.....	322,772		2,667		319,044			
Barbados.....	375,351	1,484	279,974	1,129	76,961	355	2,195	
Grenada.....	3,158	6,389	1,640		1,314			
Jamaica.....	926,813	174,951	753,374	78,927	195,426	88,422	10,614	6,842
Leeward Islands—								
Antigua.....	51,241		46,058		4,789		25	
Dominica.....	7,689	2,779	4,764	2,696	1,080	83	1,470	
Montserrat.....	1,124		959				54	
St. Kitts-Nevis.....	97,177		75,166		21,681			
Virgin Islands.....	555				170			
St. Lucia.....	52,711	4,433	36,563	3,981	15,437	92	487	360
St. Vincent.....	17,729	7,032	14,021	5,285	3,519	1,504	19	238
Trinidad and Tobago.....	1,860,410	125,647	805,774	76,022	995,379	45,566	6,141	1,854
Total imports.....	5,287,635	447,450	3,064,984	246,485	2,125,480	177,629	26,827	11,914
Per cent.....	100.0	100.0	58.0	55.1	40.2	39.5	0.5	2.5

GERMAN LUMBER MARKET

TRADE COMMISSIONER L. D. WILGESS

Hamburg, March 25, 1926.—The German trade paper *Holzmarkt* reports that since the middle of February a slight improvement in the lumber trade has been noticeable, although on some days no business whatsoever has been transacted. The desire to buy is unmistakable, but sales are concluded only with difficulty because quotations fluctuate with the sales prices obtainable. The American offers, with the exception of some confusing fluctuations, remain mostly steady, and this has limited the number of sales. The situation was very confusing two weeks ago, when Oregon pine, for instance, was offered at lower prices following the weakness on the New York stock exchange. The cause was only temporary, and was also caused by the cheap freights which were offered on account of grain steamers being available to load lumber owing to the depression in the grain markets. In addition to Oregon pine at about £24 per standard for 1- by 4-inch rifts, some transactions took place in pitch pine and red pine at unchanged prices. North Carolina pine was quiet and unchanged. The same applied to cottonwood, sap gum and oak, in which no transactions were effected. Oak and hickory round wood as well as whitewood only arrived in diminishing small quantities, while further shipments are not expected. Only small supplies of whitewood, however, are available in Hamburg and other centres.

TAXATION OF FOREIGN FIRMS IN GERMANY

TRADE COMMISSIONER L. D. WILGESS

Hamburg, March 20, 1926.—Considerable publicity has recently been given in the British press to the provision of the German Income Tax Law of August 10, 1925, whereby foreign firms are liable to taxation on incomes accruing in Germany, if they have a permanent representative in that country. It has been pointed out in the German press that this provision has been copied from the Income Tax Law of Great Britain. An authoritative statement on this subject

has been published in the latest issue of the *Bulletin of the Hamburg Chamber of Commerce*, and in view of the importance of the subject it has been considered advisable to append a translation of this statement, as follows:—

Statement of Hamburg Chamber of Commerce

"According to §3 section 2 of the Income Tax Law of August, 1925, foreign firms are liable to taxation for incomes accruing in Germany if they have a permanent representative in Germany. The Chamber of Commerce immediately protested against these regulations which were included in former corporation tax laws. It was at once pointed out that such a regulation would necessarily stop the German agency business and cause foreign firms to dismiss their German representatives. In spite of the energetic steps taken by the Chamber of Commerce, it was not possible to convince the Government of the necessity of doing everything possible during the present economic crisis to increase and promote the German agency business.

"The Chamber of Commerce together with the Chamber of Commerce at Bremen has been continually endeavouring to prevent, if possible, these regulations being put into practice, more so because during the last few months numerous publications have appeared in the English press in which it has been pointed out that, in view of the German regulations, German representatives must be dismissed and business with Germany in future done direct in order to evade the income tax regulations.

"The united efforts of the Hamburg and Bremen Chambers of Commerce have now, however, succeeded in obtaining a ruling from the Federal Minister of Finance, which governs the assessing of foreign firms for income and corporation tax. This decree of the Minister of Finance, dated February 23, 1926, is worded as follows:—

"The question if and to what extent certain foreign concerns which maintain a permanent representative in Germany can be exempted from limited tax liability is still under consideration. In order to prevent the damaging of German interests through tax regulations on foreign firms I am, until the matter has been finally decided, agreeable that German commission agents who are entered in the trade register as wholesale dealers or trade agents need at present only pass on demands for income tax returns and other communications from the Finance Department to those foreign firms which they represent, when the limited tax liability of the foreign firms has been fixed through a former assessment or when the German representative is an employee of the foreign firm. The assessing of foreign firms for income or corporation tax is subject to the foregoing proviso. The German representative is bound to advise the Finance Department of the exact kind and extent of his representation. The obligation still rests upon the representative to hand in a tax return for his own income.'

"The ruling is naturally only a temporary solution of the matter. The Chamber of Commerce will therefore continue negotiations with the Minister of Finance in order to effect a final solution of this question, which is of such vital importance for Hamburg."

COMMERCIAL CONDITIONS IN ARGENTINA

D. FORSTER, OFFICE OF THE CANADIAN TRADE COMMISSIONER

[NOTE.—Unless otherwise mentioned, values are given in Canadian currency, the exchange used being 1 paper peso = 40 cents (Canadian); 1 gold peso = 91 cents (Canadian).]

Buenos Aires, March 15, 1926.—Argentine imports from Canada have increased constantly since March, 1922, when the total for the twelve months was \$3,361,150, until for the twelve months ending December, 1925, the total was \$11,923,534, which is the highest figure ever recorded. Exports to Canada for the twelve months ending March, 1922, were \$2,355,100, and after touching a record of \$6,262,773 for the twelve months ending April, 1925, they are now \$4,068,418 for the year to December, 1925. Imports from Canada for the month of December only were \$1,282,997 and exports \$148,218.

EXTERNAL TRADE, 1925

Importations into Argentina from all countries for the year 1925 amounted to \$797,931,376 as against \$754,126,094 for 1924, an increase of 5.8 per cent. Total exports from Argentina for 1925 were \$789,816,193 as against \$920,369,070 for the previous year, a decrease of 14.2 per cent. The balance of trade therefore is unfavourable to the extent of \$8,115,183, compared with a favourable balance in 1924 of \$166,242,976.

IMPORTS AND EXPORTS, JANUARY TO MARCH, 1926

Although import statistics are not published monthly, the Customs receipts from January 1 to March 13 indicate a slight increase in importation. The amount collected so far this year is \$23,645,950, an increase of \$580,862 compared with the same period of 1925, or approximately $2\frac{1}{2}$ per cent. Export duties were \$1,104,074, while for the same period of 1925 they were \$2,165,914, but this decrease does not give a correct idea of actual exports. An export duty was instituted at the beginning of 1918 as a temporary means of taxation, but the law has twice been renewed and appears to be in operation indefinitely, although exporters have recently been making representations for its repeal. A basic value for each of the principal products exported is fixed by law and every month a commission appraises the current values. Any excess of appraisement over the basic value is taxed 12 or 15 per cent, according to the classification of the article.

Cereals.—Wheat shipments from January 1 to March 11 are far below those of last year, but the deficit is partly balanced by the heavy shipments of maize and linseed, oats remaining practically the same. The difference, however, is quite enough to be viewed seriously by the country. The following are the exports of the principal cereals:—

	January 1, to 1925	March 11, 1926
Wheat.. . . .	1,332,556	577,638 tons
Maize.. . . .	343,320	525,020
Linseed.. . . .	150,918	428,877
Oats.. . . .	176,495	167,762
Barley.. . . .	30,940	20,954
Flour.. . . .	32,440	28,417
	2,066,669	1,746,668 tons

The Government forecast of the area sown to maize is 4,297,000 hectares, while the average for the previous five years was 3,313,207 hectares. A record yield was anticipated, but February was not favourable to the growing crop. It is anticipated that the yield per hectare will possibly be just below normal. The production of last year's crop from 3,707,700 hectares was 4,732,235 tons, from which 2,100,000 tons were required for home consumption and seed, leaving an exportable surplus of 2,632,235 tons.

Cotton.—Exports of cotton for the first two months of 1926 were 1,180 bales (of 200 kilos) compared with 1,723 bales for the same period of last year. The area sown to cotton this year is 110,335 hectares, from which a record crop is anticipated. The production last year from 104,513 hectares was 48,600 tons.

Meat Products.—Although reports are rife regarding the losses being sustained by the meat packers, exports of beef are well maintained. Exports of frozen and chilled beef for January and February, 1926, were 1,336,340 quarters compared with 1,366,459 quarters for the first two months of 1925. Chilled beef exports, which went entirely to England, were 159,000 quarters greater and frozen beef 189,000 quarters less than for the corresponding period of last year. Exports of frozen mutton and lamb, however, were only 377,576 carcasses compared with 700,020, and canned meat shipments were 299,802 cases as against 337,609.

Certain opposing interests are striving for mastery in the meat trade, and it is stated that a loss is incurred on all meat shipped. Out of twelve packing houses in Argentina, one ceased operations in April, 1925, and one of the largest in the trade is now closing its works in the south and limiting output at headquarters to a minimum.

Other Products.—For the first two months of the year butter shows a good advance over 1925, being 240,707 cases (of 25 kilos) against 180,418. The former figure, however, is still 60,000 cases below shipments during the same

period of 1924, in which year a record was established. Quebracho logs show an increase of 4,800 tons while extract has decreased by 13,500 tons compared with January and February of 1925. Hay and alfalfa exports are 900 bales (of 50 kilos) against 14,669 bales in the same period of last year. Shipments of calf, dry and salt ox, and horse hides are 1,039,210 compared with 1,505,950 hides for 1925. Bales of sheep and goat skins are much below the 1925 average, and tallow shipments are also less. Wool is one of the few exports which exceeds 1925 figures, being 65,148 bales (of 420 kilos) compared with 46,587 bales.

GENERAL

Railway traffic receipts of the eleven principal companies from July 1, 1925, to March 6, 1926, are £60,600 below receipts for the corresponding period of the previous year. Although the railway in the south of the republic shows an increase of £562,000, this is counteracted by decreases on most of the railways in the north and west. Liabilities in commercial failures during February were \$5,027,678, which although slightly lower than those of February last year are still fairly high compared with the figures for the same month in 1924. The gold in the "Caja de Conversión" amounts to 451,782,984 gold pesos and the paper money in circulation is 1,319,797,739 paper pesos, which at the fixed rate of 44 cents gold to the paper peso represents a gold backing to the currency of 77.8 per cent. These figures have remained unchanged since December, 1924. Stock exchange movements during the last two months have been slack, but last week brought an improvement, the turnover being \$4,097,099. The principal demand appears to be for the "Cédulas" issued by the National Mortgage Bank. The amount at present in circulation is \$475,138,900 and the average rate of interest earned on them is 6.30 per cent.

EXCHANGE

In April, 1925, the Argentina paper peso was worth \$0.3826, and it gradually improved to within 2 per cent of par (which is \$0.4245) at the beginning of February. During that month, however, the peso weakened slightly practically every day until at the time of writing it stands at \$0.3972, the lowest it has been since May, 1925. The opportunity of reverting to the gold standard seems to have passed for the time being. Government statistics show an unfavourable balance of trade for 1925, and so far this year imports appear to be higher and exports are low than for the corresponding period of 1925, so that prospects of a favourable balance of trade this year are not very bright. It is generally anticipated that Argentine currency for the next few months will tend to decline slightly.

TRADE AND ECONOMIC CONDITIONS IN CHINA

TRADE COMMISSIONER L. M. COSGRAVE

Shanghai, March 18, 1926.—Conditions from a normal trading standpoint continue uncertain, due to the prolonged military activities in the north, which has rendered trade practically stagnant in the Tientsin-Peking area for the past three months, together with the unchanged position in the Canton area, on which Hong Kong, and to a certain extent Shanghai, is dependent for a considerable volume of its import trade. As a result of the foregoing factors, the main out-ports are buying only for immediate requirements, and little forward buying is being done, though this is the time of the year when orders are usually placed for the summer and autumn requirements.

Shanghai and Central China are, on the other hand, more prosperous than they have been for some time past, and trade is reported fair, and in some cases

comparatively brisk. The wheat and flour trade compares favourably with past years, and the small native wheat crop has forced many local mills to purchase their requirements in Canada, not only of wheat, but also of flour, to fulfil their forward contracts.

Iron and steel products are moving slowly, but local market prices are down and the situation on the whole is quiet. The demand for tinplate and galvanized sheets is normal for this time of the year, and wire products are also moving satisfactorily, though Belgian manufacturers appear to be obtaining the bulk of this business on account of the low market. Considerable interest is centred on the requirements of the railroads, which are in need of large supplies for repairs and maintenance. Considerable doubt is expressed, however, regarding their ability to make satisfactory financial arrangements.

It is noted that a good volume of new trade has developed with Canton through Shanghai importing houses, due to the transportation and trade boycott existing between Canton and the logical source of supply, Hong Kong, and also to the efforts of the shipping companies operating from Shanghai direct to Canton and district. Reliable observers here are of the opinion that, even when conditions in the south become more normal, a considerable portion of this new trade will remain in the hands of Shanghai importers.

Since the disturbed conditions during 1925 numerous new contracts have been placed abroad by Chinese importers with a view to direct trade, and though this has to a certain extent opened up new distributing channels on this side, Canadian manufacturers will be well advised to investigate the financial stability of such firms prior to opening business. Inquiries for Canadian products which have not emanated from known and established sources on this side should, as a measure of precaution, be referred either to this office or through the manufacturer's bank for a report.

WHEAT AND FLOUR SITUATION IN CHINA

TRADE COMMISSIONER L. M. COSGRAVE

Shanghai, March 18, 1926.—At the time of writing the wheat and flour market in China is quiet, due to the fact that a waiting attitude has been adopted by the trade prior to the harvesting of the spring wheat crop. It is the belief of the large native dealers that this year's crop will not only be light, but that considerable difficulty will be experienced in transporting it to the mills.

Due to the lack of supplies, practically all the flour mills in Central and North China are operating on short time, and mainly on imported wheat, as receipts from the interior even in Shanghai are only in the neighbourhood of some five hundred bags a day. The demand for Canadian flour continues firm, and prices quoted on the local exchanges appear to be fairly well in line with those for native flour.

Representatives of large Canadian mills who have passed through recently state that, despite the fact that some difficulty has been experienced in Canton, Swantow, and Amoy, where a pronounced boycott of British products is still being maintained, sales continue to be made under various "chops", which furnishes an indication of the established position which Canadian flour has secured in the China market.

Despite the prevailing unsettled political and economic conditions and though the movement of stocks into the interior has been slow and decidedly costly, the returns show a great increase over those of the previous year. The figures given below compiled by the American Bureau of Foreign and Domestic Commerce, show monthly exports from Canada and the United States to the

main Oriental markets. They also indicate the rapid recovery of the China market during the last four months of 1925, and demonstrate in a graphic manner the absorptive capacity of China.

COMPARISON OF FLOUR EXPORTS FROM CANADA AND THE UNITED STATES FOR THE CALENDAR YEAR 1925 BY MONTHS, IN THOUSANDS OF BARRELS

To.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Ttl.
China from United States..	1	..	9	1	..	7	1	11	34	47	59	50	220
China from Canada ..	17	5	1	..	48	8	15	108	142	81	112	143	680
Hong Kong from United States.	17	21	45	26	17	35	23	52	13	19	40	82	390
Hong Kong from Canada..	14	6	9	5	15	12	28	7	7	10	3	35	151

The exports of flour from the Dominion to China during calendar year 1924 amounted to approximately 430,000 barrels. It will be seen therefore that the exports during 1925 to this country showed a large increase, which though partly due to the great wheat crop in Canada, also indicated a definite increase in the China trade, which competent observers believe will be maintained, as Chinese consumers have found that better and more satisfactory results are obtainable from Canadian flour than from the native variety.

The continued troubles in the interior are tending to discourage the growing of wheat and the quality is deteriorating. Testing as it does as much as 8 per cent of dust, by the time it arrives in the large outports, it is practically as costly to the millers as the imported product.

Recent Business in Wheat and Flour.—Recent arrivals of Canadian No. 3 wheat sold at around G. \$52.20 per ton c.i.f., the equivalent of 4.90 taels per picul (1 picul equals 133½ pounds), which rate is slightly lower than last month. No. 2 grade is higher by 0.10 taels per picul. These prices compare with Chinese wheat which is selling at from 4.85 to 4.90 taels per picul.

Canadian flour, chiefly first clears, has been arriving in considerable quantities for the past six weeks, and business has been done at approximately G. \$1.65 per sack, the equivalent of 2.30 taels on this market. American flour of the same grade is quoted at present at G. \$1.80 to G. \$1.85, approximately 2.45 to 2.60 taels per sack, which is too high for the local market.

On the Chinese flour exchange, the rates are 2.61 taels for March, 2.39 taels for April, and 2.37 taels for May. Japanese flour is at present too high for the China market, local prices being about 4 to 4.10 yen per picul c.i.f. Shanghai. As a result business continues to be fairly brisk in Canadian flour, and a decided improvement has recently been noted in the demand for straight export patent, which, though higher priced, has found considerable favour amongst the larger Chinese dealers.

CZECHO-SLOVAK GLASS INDUSTRY

The British Commercial Secretary at Prague states that, according to a recent press report, the local glass industry has of late suffered from the general decline of employment. Export especially shows a marked decrease, mainly owing to the new increased Customs duties in Germany. Even in January, however, before all these new increases had entered into force, exports to Germany showed a decline of 200 wagons. Since then the situation has got worse, especially as regards hollow glass. It has been generally remarked that this branch, even in its cheaper products, is being ousted from foreign markets owing to the revival of competing industries. The decrease in orders has caused a restriction of output and many firms, it is stated, have reduced their production, and in some cases workers have been dismissed.

ELIMINATION OF WASTE IN THE DISTRIBUTION OF INDUSTRIAL CATALOGUES

One of the problems with which the sales manager of an industrial firm is faced, especially in these days of expensive printing and illustrating, is the prevention of waste in the distribution of the firm's expensively produced catalogues, writes a correspondent of the *London Times Trade Supplement*.

He knows that it is inevitable that a certain percentage must find their way into the offices of men who have no intention of becoming customers—competitors, importers of foreign articles who wish to compare prices, middlemen who already deal with competitive houses and merely desire to familiarize themselves with general trade terms, and so on.

The catalogue often supplies other people than customers with information; but this sort of thing is practically unavoidable, for, if people cannot by one means obtain the particulars they desire they will find some other way of getting them.

A more frequent source of wastage, however, and one which does not present so much difficulty, is the despatch of catalogues to "frivolous" inquirers. In some manufacturing concerns, it is the practice to send the catalogue to none but bona-fide trade houses; but in other firms a less rigid system is adopted, and it is in connection with the latter type that the wastage occurs. Various systems of checking have been introduced by different manufacturing houses. One sales manager keeps a record of every inquiry for a catalogue. No requests are refused, and, after a lapse of a week or so, a traveller is instructed to call and ascertain in which department of the firm the inquirer is interested. Frequently the report is that there is no likelihood of any business being done, and the traveller elicits the information that the inquiry is just an idle one, or else that the man concerned is too "small" to justify any further trouble being taken. These names are immediately struck off the list, and, in such cases, although the catalogue is wasted, it has served a useful purpose in enabling the company to cut out undesirable trade names from the lists of prospective buyers.

The chief point for consideration, however, is how to prevent these expensive leakages. An application on good-class notepaper can hardly be entirely ignored, or returned to the inquirer with a request for further particulars of his likely needs. One method adopted is to have a reference number for each catalogue, and to circulate to all customers and prospective customers the list of references; then, when any "outside" requests arrive, cards are despatched asking the inquirers to indicate, by the recognized reference number, the catalogue they require. Another manufacturing concern, instead of replying by mail, makes a practice of sending a representative to visit all inquirers for catalogues who are not recognized as bona-fide customers, and who happen to be within reasonable distance. A specially trained member of the staff is retained for this purpose, and by tactful handling and by careful analysis and classification he separates the merely inquisitive "small" man from the likely purchaser. By this method spurious inquiries are soon discovered, and undesirables eliminated.

Then there is the question of tracing the sources whence prospective customers desiring catalogues obtain the firm's name and address. Key-words are often used in trade press advertisements; but the trouble is that they are too often obvious keys, and inquirers do not often take the trouble to mention them. If key-words are introduced, they should form a logical part of the address, particularly in directories, which have an indiscriminate circulation. To ask readers to refer to a department bearing the initials of the medium in which the advertisement appears is an old-fashioned method with which even the least experienced business man is familiar, and he will frequently deliberately leave out the department, if only to show that he recognizes the "dodge."

TARIFF CHANGES AND CUSTOMS REGULATIONS

South African Duty on Bentwood Chairs

Mr. G. R. Stevens, Canadian Trade Commissioner in Cape Town, writes under date March 10, 1926, that, by proclamation, the suspended duty of one shilling each on bentwood chairs (Item 269C of the South African Customs Tariff) has been made effective from February 26, 1926, so that the present duty consists of 20 per cent ad valorem, plus one shilling each.

A bentwood chair as previously defined by the Customs consists of a chair the principal parts of which—that is, back, legs and frame—is of “bent” wood.

South African Customs Duty Exemptions

Mr. G. R. Stevens, Canadian Government Trade Commissioner, Cape Town, has forwarded the following list of products which may be imported free of duty into the Union of South Africa for use in the industries as specified in each case. (Proclamation February 26, 1926.)

Bag Making Industry.—Gummed paper and twine in cut lengths.

Boot and Shoe-making Industry.—Crepe rubber, cork heels, and wooden clog soles.

Dips, Disinfectants and Insecticide Manufacturing Industries.—Pyrethrum powder, methyl salicyl, turpentine and red oil.

Fish Canning Industry.—Wood linings cut to shape.

Ink Manufacturing Industry.—Gallic acid, tannic acid, and sulphate of iron.

Iron and Steel and Engineering Industries.—Welding electrodes; case-hardening powders and compounds; sand reviving compo; plugs used as gauges for grooving and cutting rolls for the rolling of iron and steel; bricks for blast furnace linings.

Paints, Varnish, Polish, and Putty Manufacturing Industries.—Acetic acid, amber oil and amyl acetate.

Plywood Manufacturing Industry.—Gummed veneer tape.

Printing, Lithographing, Bookbinding and Cardboard Box-making Industries.—Lace paper and lace strips greaseproof and otherwise, and gummed paper and gummed tape. Wallpaper and other fancy paper in the piece, for use in the box-making industry.

Shirt, Collar, and Pyjama Suit Manufacturing Industry.—Woven labels and tabs, provided they are imported direct by a manufacturer, who must be licensed under the Factories Act and employ not less than ten operatives.

Textile Industry.—Woven labels and tabs.

Waterproof Clothing Manufactures.—Woven labels and tabs.

Manufacture of Preparations for Road Construction.—Crude oil.

Materials for General Industrial Purposes.—Rubber rings and string solder for use by manufacturers in paraffin wax, in bulk.

Importation of Motor Vehicles into New Zealand

J. NEILL, ASSISTANT TO TRADE COMMISSIONER

Auckland, March 15, 1926.—An Order in Council has been issued by the New Zealand Government prohibiting the importation, save with the consent of the Minister of Customs, of the motor vehicles listed hereunder:—

Any six-wheeled motor lorry designed or constructed to carry more than 9 tons exclusive of the weight of the vehicle, or so designed or constructed that its weight when laden may exceed 15 tons.

Any motor lorry not being a six-wheeled motor lorry designed or constructed to carry more than 6 tons exclusive of the weight of the vehicle, or so designed or constructed that its weight when laden may exceed 10 tons.

Any two-wheeled trailer designed or constructed to carry more than 4 tons exclusive of the weight of the trailer.

Any four-wheeled trailer designed or constructed to carry more than 6 tons exclusive of the weight of the trailer.

Any trailer having more than four wheels.

Any tractor weighing more than 10 tons.

Any chassis, wheel, axle, body, engine or other part peculiarly suited for use as a component of any article which is specified above.

Increase in French Customs Duties

Mr. Hercule Barré, Canadian Government Trade Commissioner, Paris, has cabled as follows: "New tariff bill has been passed increasing customs duties 30 per cent except for Tariff Item No. 461 (newsprint) and Tariff Item No. 168 (wood pulp for same). The new tariff will have no effect on goods shipped before April 7."

Increase in Duty on Newsprint Entering Italy

Mr. Jean J. Guay, Acting Canadian Trade Commissioner in Milan, writes under date March 23, 1926, that, effective April 1, 1926, the duty on newsprint entering Italy shall be at the rate of 5 lire gold per quintal of 220 pounds instead of 2 lire gold as previously, according to a decree published in the *Gazzetta Ufficiale* of March 18.

Conventional Tariff of Greece

A legislative decree regarding the adoption of the minimum tariff of goods imported from countries with which Greece is not bound by convention was published on January 12, 1926. It provides that the minimum import tax be adopted for the following goods, where such goods are imported from countries with which Greece has not entered into a trade convention:—

Animals, Class 1 a-r; cereals, Class 7 a-i; flour or wheat with or without bran, Class 8 a; flour of other cereals, Class 8 b 2; pulse in general, Class 9 a-f; quinine, quinidine, cinchonine, Class 161, d, 1; extracts and tanning materials in general, of Smyrna production, Class 175 c, 1 and 2.

ITALIAN MARKET FOR AGRICULTURAL MACHINERY

There was an increase of some 3,000 metric tons in the imports of agricultural machinery into Italy during the first nine months of last year. The total receipts amounted to 11,013 metric tons, and so far as the corresponding period of 1923 is concerned it represents an increase of more than 100 per cent.

Germany was the chief source of supply, and for the first nine months of 1925 her share in the market amounted to 6,015 metric tons, as compared with 1,987 metric tons by France, and 1,197 metric tons by the United States. Imports from France were more than double those received during the January-September period of the previous year, but American shipments were about 100 metric tons less.

COMMERCIAL CONDITIONS IN CUBA

In his report on Cuba dated November last, Mr. M. H. C. Kelham, Acting British Consul-General at Havana, writes that the commercial and political atmosphere of Cuba to-day seems to be impregnated with a general feeling of optimism in spite of the very low market value of sugar. The new President came into office on May 20, 1925. Considerable plans for the improvement of the country are proposed, and present every likelihood of being carried out. The Public Works Law was passed on July 15, 1925, providing, among many improvements, the building of a great central highway from one end of the island to the other, with branches connecting it with all the towns and ports along the coast. The necessity for this road from every standpoint is very apparent. It will be a means of obtaining better transport facilities for the sugar products and Cuba's sources of wealth, which up to the present have been inaccessible, and will be placed on the market, thereby giving a great impetus to commerce. It will also give employment over a period of several years to many who are at present suffering from the general trade depression.

Trade generally during the last two years has shown great improvement. There was an increase in 1924 of more than \$34,000,000 over 1923, but whereas the exports have only increased by \$13,000,000, the imports were over \$21,000,000 more. The sugar crop for 1924 was 4,066,642 tons, an increase of more than 500,000 tons over 1923. The surplus, however, was not exported owing to the low price of sugar, and the new crop was burdened with an unsold quantity of over 500,000 tons. This amount added to a record crop for 1924-25 of some 5,000,000 tons has had the effect of lowering the market price of sugar to such an extent that, at the time of writing, it has reached the lowest mark hitherto known, a fraction more than 2 cents a pound.

Trade generally since 1922 has increased beyond all expectations; the total amount effected during 1924 reached the record figure of \$724,594,585 as compared with \$690,025,749 in 1923 and \$506,344,007 in 1922. The total amount represented \$232 per head of population in 1924.

The export figures for 1924 were \$434,069,000 and imports \$290,525,585, a surplus in favour of Cuba of \$143,543,415, exclusive of re-exports. The United States of America has over three-quarters of the whole trade of the island, purchasing alone 83 per cent of the total exports during 1924, while the United Kingdom took only 6.57 per cent of the total trade in 1923 and 8.49 per cent in 1924.

TENDERS INVITED

Australia

Copies of tender forms and specifications have been received from Trade Commissioner D. H. Ross, Melbourne, for material required by the Victorian Government Railways, Melbourne.

The tender forms and specifications are open to the inspection of interested Canadian manufacturers at the Department of Trade and Commerce, Ottawa (refer to file No. 29077).

Tenders in conformity to the specification should be promptly addressed to the Secretary, Victorian Government Railways, Melbourne, Australia.

Particulars of the requirements are briefly outlined thus:—

VICTORIAN GOVERNMENT RAILWAY DEPARTMENT

No.	Date of closing.	Particulars.
39426	June 2, 1926.	Supply and delivery of 5,000 sets of Renewals for Caustic Soda Primary Cells, as specified.
39433	June 16, 1926.	Supply and delivery of 1 High-Speed Radial Drilling Machine, including equipment (For Newport Workshops), as specified.

New Zealand

Copies of specifications have been received from Mr. C. M. Croft, Canadian Government Trade Commissioner at Auckland, N.Z., for equipment required by the Public Works Department and the New Zealand Government Railways, Wellington. These specifications are open for inspection at the Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa. Tenders should be addressed to the Secretary, Public Works Supplies and Tenders Board, and the Chairman, Railway Board, Wellington, in accordance with these specifications. These are as follows:—

Public Works Department

Section 184.—Mangahao Power Scheme: manufacture, supply and delivery c. and f. Wellington of one phase transformer. Expiry date July 20, 1926.

Section 136.—Takapuna Substation, Arapuni Electric Power Scheme: metering and switchboard equipment. Expiry date May 25, 1926.

Section 151.—Waitemata Substation, Arapuni Electric Power Scheme: switchboard gear and accessories. Expiry date May 25, 1926.

New Zealand Government Railways

Hillside Workshops: electric motors and accessories. Expiry date June 16, 1926.

BRITISH MALAYA'S GROWING PROSPERITY

It is an entirely erroneous assumption that British Malaya's present prosperity is solely due to the high prices realized in the world's markets for rubber and tin, says the *British Export Gazette*. Exports of copra, rice, pepper, areca nuts, rattans, pineapples, and fish have all been showing considerable increase, and have attained very much greater volume than a year ago. At the same time, the total exports of rubber last year reached upwards of £85,000,000 and those of tin £21,000,000, these two items accounting for about 70 per cent of the total exports of British Malaya, which amounted last year to the huge sum of £150,000,000. Needless to add, this was enormously in excess of the value of imports—indeed, to the extent of over £37,700,000. Yet the imports were in excess of those of any previous year, even including the boom period following the war.

Whatever, therefore, may be the trend of rubber prices during the next few months, British Malaya has a surplus buying capacity of little short of £40,000,000, distributed among all classes of the population, both European and Oriental. Indeed, the growing purchases of imported manufactured goods by the native section of the population is one of the outstanding features of the market. But the market as a whole is full of opportunities for commercial enterprise. In the third quarter of 1925 imports were nearly double those of the same period of 1924.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING APRIL 12, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending April 12, 1926. Those for the week ending April 6, 1926, are also given for the sake of comparison.

		Parity	Week Ending April 6, 1926	Week Ending April 12, 1926
Britain	£	1.00	\$4.86	\$4.8575
Czecho-Slovakia	Crown	1.	.203	.0296
France	Fr.	1.	.193	.0347
Italy	Lire	1.	.193	.0402
Holland	Florin	1.	.402	.4009
Belgium	Fr.	1.	.193	.0372
Spain	Pes.	1.	.193	.1414
Portugal	Esc.	1.	1.08	.0520
Switzerland	Fr.	1.	.193	.1927
Germany.. . . .	Reichs Mk.	1.	.238	.2382
Greece	Dr.	1.	.193	.0134
Norway.. . . .	Kr.	1.	.268	.2148
Sweden.. . . .	Kr.	1.	.268	.2683
Denmark	Kr.	1.	.268	.2619
Japan	Yen	1.	.498	.4610
India	R.	1.	2s.	.3630
United States	\$	1.	\$1.00	1.0006
Mexico.. . . .	\$	1.	.498	.4880
Argentina	Pes.	1.	.424	.3975
Brazil	Mil.	1.	.324	.1410
Roumania	Lei	1.	.193	.....
Jamaica	£	1.	4.86	4.8800
British Guiana	\$	1.	1.	.....
Barbados.. . . .	\$	1.	1.	.....
Trinidad	\$	1.	1.	.....
Dominica	\$	1.	1.	.....
St. Kitts	\$	1.	1.	.....
Grenada.. . . .	\$	1.	1.	.....
St. Vincent.. . . .	\$	1.	1.	.....
Tobago	\$	1.	1.	.....
Shanghai, China.. . . .	Tael	1.	.708	.7650
Batavia, Java	Guilder	1.	.402	.4025
Peru.. . . .	Pound	1.	4.86½	3.8425
Singapore, Straits Settlements ..	\$	1.	.507	.5725

1.0062—1.0187 1.0062—1.0187

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

329. FLOUR.—An importer in the Irish Free State desires quotations.

330. FLOUR.—A Jamaican agent would like to represent a Canadian exporter of flour (bakers' and counter or No. 2 grades).

331. OATMEAL.—An established Liverpool firm of flour importers, already representing a well-known Canadian mill for flour, are interested, either as agents or buyers, in establishing a connection with a Canadian exporter of oatmeal, and would like c.i.f. Liverpool prices along with samples.

332. OATMEAL.—An importer in the Irish Free State desires quotations.

333. OATS.—A Demerara firm wish to represent Canadian shippers.

334. CHEESE AND BUTTER.—A Liverpool commission agent, who has been representing a Canadian shipper now retiring from business, is anxious to establish himself in a similar capacity with another Canadian cheese and butter exporter.

335. BUTTER.—A firm in Jamaica wish to establish connections with a Canadian exporter.

336. PRODUCE AND FRUITS.—A Glasgow firm of general produce merchants and agents desire to have the sole agency for a Canadian firm or firms prepared to export canned goods or fruits to this country on a consignment basis.

337. CHOCOLATE COVERTURE.—A Glasgow firm would like to get in touch with Canadian exporters of a good class of chocolate couverture, both milk and plain, vanilla flavoured. A single shipment to contain not less than five tons.

338. MEATS.—A firm of Jamaican importers wish to be put in connection with a Canadian exporter of meats.

339. CANNED PILCHARDS.—A large firm of fish importers in Ymuiden, Holland, would be glad to get in touch with Canadian exporters.

340. FRESH SALMON IN BRINE.—A firm of importers in Jamaica ask to be placed in touch with a Canadian exporter.

341. CANNED SALMON.—A firm of importers in Jamaica are anxious to secure a connection with a Canadian exporter.

342. SALMON.—A Demerara firm wish to represent Canadian shippers.

343. MEATS AND FISH.—A firm of Greek commission agents at Rhodes, with travellers calling four times a year at all the islands of the Aegean Sea and the Levant, require catalogues, samples, and prices of canned meats and canned fish—salmon, lobsters, herrings; also smoked, salted, and dried fish, c.i.f. Rhodes for Rhodes and the Dodecanese; c.i.f. Piræus for the Ionian Islands, Samos, Chios, and Mitylene.

344. SARDINES.—A Jamaican firm of importers desire to represent a Canadian exporter.

345. TINNED HERRINGS.—A firm of importers in Jamaica wish to secure a connection with a Canadian exporter.

Miscellaneous

346. BEER.—A Jamaican firm desire to represent a Canadian manufacturer of beer.

347. OILS AND GREASES.—A firm of importers in Jamaica wish to act as representatives for a Canadian exporter.

348. HIDES AND SKINS.—A Dublin firm desire quotations.

349. BOOTS AND SHOES.—A Jamaican firm desire to represent Canadian exporters.

350. WOOL.—A firm of Dublin brokers desire quotations.

351. MEN'S FLEECE-LINED UNDERWEAR.—An important North of England firm of wholesale clothiers, who have handled similar goods from the United States, wish to import from Canada on their own account. It is necessary that samples and c.i.f. Liverpool quotations be furnished.

352. ART SILK IN THE PIECE.—A firm of importers in Jamaica are desirous of communicating with a Canadian exporter.

353. FLOCK.—A firm of sign-writers in New Zealand desire to obtain supplies of flock, a powder made, apparently, of fine cloth, to be used for background work in sign painting.

354. ROPE, TWINE, CORDAGE.—A Greek firm of commission agents in Rhodes, with travellers calling four times a year at all the islands of the Ægean Sea and the Levant, require catalogues, samples, and prices as follows: c.i.f. Rhodes for Rhodes and the Dodecanese; c.i.f. Piræus for the Ionian Islands, Samos, Chios, and Mitylene.

355. ROPE AND TWINES.—There is a good sale in Trinidad for a 4-ply cotton twine used in making *alpargatas* (a locally made sandal). Correspondence with a Trinidad firm is invited.

356. RUBBER TIRES.—A Brussels concern are anxious to get in touch with Canadian manufacturers of rubber tires.

357. PAINTS AND VARNISHES.—A Greek firm of commission agents at Rhodes, with travellers calling four times a year at all the islands of the Ægean Sea and the Levant, require catalogues, samples, and prices as follows: c.i.f. Rhodes for Rhodes and the Dodecanese; c.i.f. Piræus for the Ionian Islands, Samos, Chios, and Mitylene.

358. TOOLS (Carpenters', Garden and Farm).—A Greek firm of commission agents at Rhodes, with travellers calling four times a year at all the islands of the Ægean Sea and the Levant, require catalogues, samples, and prices as follows: c.i.f. Rhodes for Rhodes and the Dodecanese; c.i.f. Piræus for the Ionian Islands, Samos, Chios, and Mitylene.

359. HARDWARE.—An importer in Girardot, Colombia, desires to hear from Canadian exporters.

360. LIGHTING SETS.—A Jamaican firm of importers wish to represent a Canadian manufacturer of electric lighting sets.

361. AUTO LAMP BULBS.—A firm of importers in Jamaica are desirous of communicating with a Canadian manufacturer.

362. TIMBER.—A well-known Jamaican firm of importers would like to secure connections with Canadian exporters.

363. SULPHITE PULP.—An old-established firm of importers in Hamburg, Germany, wish to secure quotations and samples from Canadian producers of sulphite pulp suitable for the production of artificial silk.

364. KRAFT.—A Jamaican firm of importers desire to represent a Canadian exporter.

365. FLAT NEWSPRINT.—A firm in Trinidad wish to obtain flat newsprint, 22½ inches by 35 inches, in sheets, 60 pounds weight. A slack filled newsprint is required to suit the local type. In addition, would be interested in Canadian paper bags (usual grocery bags), and manila and kraft paper in rolls and sheets.

366. NEWSPRINT.—A Jamaican firm of importers are desirous of negotiating with a Canadian exporter.

367. OFFICE STATIONERY.—A firm of importers in Jamaica are desirous of corresponding with Canadian exporters.

368. SENEGA ROOT.—A leading firm of chemical and drug importers in Hamburg, Germany, are desirous of getting into touch with reliable Canadian exporters of senega root.

369. CHEMICALS.—A London company ask to be placed in communication with Canadian manufacturers and exporters of chemicals used in laundries and the textile and tanning industries, with a view to securing their representation in the United Kingdom.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To LONDON, PLYMOUTH AND CHERBOURG.—Ausonia, May 1; Alaunia, May 8; Antonia, May 14—all Cunard Line.

To CHERBOURG AND SOUTHAMPTON.—Minnedosa, May 5; Empress of France, May 12; Melita, May 19—all Canadian Pacific.

To LONDON AND ANTWERP.—Canadian Hunter, April 28; Canadian Trapper, May 8; Canadian Raider, May 18—all C.G.M.M.

To LONDON.—Bothwell, May 1; Marburn, May 8; Brandon, May 15—all Canadian Pacific.

To LIVERPOOL.—Aurania, Cunard-Anchor-Donaldson Line, April 30; Doric, May 1; Canada, May 8; Regina, May 14—all White Star-Dominion; Montrose, April 30; Montcalm, May 7; Montclare, May 14—all Canadian Pacific.

To AVONMOUTH.—Oxonian, May 1; Welshman, May 15—both White Star-Dominion.

To GLASGOW.—Montnairn, Canadian Pacific, April 29.

To BELFAST AND GLASGOW.—Letitia, April 30; Athenia, May 14—both Anchor-Donaldson; Montnairn, Canadian Pacific, April 29.

To SOUTHAMPTON.—Minnedosa, May 5; Empress of France, May 12; Melita, May 19—all Canadian Pacific.

To CARDIFF AND SWANSEA.—Canadian Mariner, C.G.M.M., May 7.
 To ST. JOHN'S, Nfld.—Canadian Sapper, C.G.M.M., April 29, May 17.
 To ANTWERP.—Minnedosa, May 5; Melita, May 19—both Canadian Pacific.
 To HAMBURG.—Empress of France, Canadian Pacific, May 12.
 To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Runner, May 4;
 Canadian Otter, May 14—both C.G.M.M.
 To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Fisher, C.G.M.M.,
 May 19.
 To AUSTRALIAN PORTS.—Canadian Spinner, C.G.M.M., May 14.
 To WEST AND SOUTH AFRICAN PORTS.—Monarch, Elder Dempster Line, May 14 to
 May 20.

From Quebec

To PLYMOUTH, CHERBOURG AND LONDON.—Ausonia, May 1; Alaunia, May 8; Antonia,
 May 14—all Cunard Line.
 To CHERBOURG AND SOUTHAMPTON.—Minnedosa, May 5; Empress of France, May 12;
 Melita, May 19—all Canadian Pacific.
 To LONDON.—Bothwell, May 1; Marburn, May 8; Brandon, May 15—all Canadian
 Pacific.
 To LIVERPOOL.—Montrose, April 30; Montcalm, May 7; Montclare, May 14—all Cana-
 dian Pacific; Aurania, Cunard-Anchor-Donaldson Line, April 30.
 To GLASGOW.—Montnairn, Canadian Pacific, April 29.
 To BELFAST AND GLASGOW.—Montnairn, Canadian Pacific, April 29; Letitia, April 30;
 Athenia, May 14—both Anchor-Donaldson Line.
 To SOUTHAMPTON.—Minnedosa, May 5; Empress of France, May 12; Melita, May 19—
 all Canadian Pacific.
 To ANTWERP.—Minnedosa, May 5; Melita, May 19—both Canadian Pacific.
 To HAMBURG.—Empress of France, Canadian Pacific, May 12.

From St. John

To LONDON.—Marloch, Canadian Pacific, April 22; Canadian Aviator, C.G.M.M.,
 April 21.
 To CARDIFF AND SWANSEA.—Canadian Leader, C.G.M.M., April 21.
 To LIVERPOOL.—Metagama, Canadian Pacific, April 23.
 To BELFAST AND DUBLIN.—Lord Antrim, Head Line, April 25.
 To ANTWERP.—Canadian Aviator, C.G.M.M., April 21.
 To HAMBURG.—Brant County, Intercontinental Transports Ltd., April 26; Balfour,
 Canadian Pacific, April 24.
 To SOUTH AMERICAN PORTS.—Harmonides, Houston Line, April 20.
 To ST. KITTS, ANTIGUA, MONTSEERRAT, DOMINICA, ST. LUCIA, ST. VINCENT, AND GRENADA.—
 Chignecto, R.M.S.P. Co., April 25.
 To AUSTRALIAN AND NEW ZEALAND PORTS.—Baton Murray, New Zealand SS., April 20.
 To PORT SAID, SUEZ, KARACHI, BOMBAY, COLOMBO, MADRAS AND CALCUTTA.—Nile,
 American-India Line, April 21.

From Halifax

To LIVERPOOL.—Newfoundland, April 20; Sachem, May 15—both Furness, Withy;
 Colonian, White Star-Dominion, April 23.
 To MANCHESTER.—Colonian, White Star-Dominion, April 23.
 To ST. JOHN'S, Nfld.—Newfoundland, April 20; Sachem, May 15—both Furness, Withy;
 Skipper, April 30; Sambro, April 23; Hethpool, May 7—all Farquhar SS.
 To BERMUDA, ST. KITTS, ANTIGUA, MONTSEERRAT, DOMINICA, ST. LUCIA, BARBADOS, ST.
 VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Chaleur, April 23; Chignecto, May 7—both
 R.M.S.P. Co.
 To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Forester, C.G.M.M.,
 May 1.
 To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, April 21, May 19.
 To SANTIAGO, KINGSTON AND MONTEGO.—Andalusia, Pickford & Black, May 5.
 To NEW ZEALAND PORTS.—Canadian Conqueror, C.G.M.M., April 24.
 To AUSTRALIAN PORTS.—Canadian Scottish, C.G.M.M., April 24.

From Vancouver

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of
 Russia, Canadian Pacific, May 1.
 To YOKOHAMA, KOBE, SHANGHAI AND HONG KONG.—Empress of Australia, Canadian
 Pacific, May 13.

- To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Africa Maru, Osaka Shosen Kaisha, April 24.
 To YOKOHAMA, KOBE, MIKE AND HONG KONG.—Protesilaus, April 29; Talthybius, May 13—both Blue Funnel.
 To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Aorangi, Canadian-Australasian Line, May 5.
 To LIVERPOOL, AVONMOUTH AND GLASGOW.—Canadian Transporter, C.G.M.M., April 28.
 To LIVERPOOL.—Dinteldyk, end April; Loch Monar, middle May—both North Pacific Coast Line.
 To LONDON AND ANTWERP.—Canadian Ranger, C.G.M.M., May 10; Dinteldyk, end April; Loch Monar, middle May—both North Pacific Coast Line.
 To LONDON, HAMBURG, ANTWERP AND BREMEN.—Kerinit, United American Lines, May 1.
 To MANCHESTER.—London Shipper, April 24; North Western Miller, May 18—both Furness Pacific Line.
 To BORDEAUX, HAVRE AND ANTWERP.—Notre Dame de Fourviere, Cie. Gle. Transatlantique (French Line), April 21.
 To ROTTERDAM.—Dinteldyk, end April; Loch Monar, middle May—both North Pacific Coast Line.
 To BARCELONA, MARSEILLES, GENOA, NAPLES AND TRIESTE.—Duchess D'Aosta, Navigazione Libera Triestina, May 15.
 To AUSTRALIAN AND NEW ZEALAND PORTS.—West Cahokia, Pacific-Australia Line, May 14.
 To PUERTO (COLOMBIA), CURACAO AND TAMPICO.—Point Lobos, Pacific-Australia Line, May 9.

PUBLICATIONS OF THE COMMERCIAL INTELLIGENCE SERVICE

NOTE.—Publications of the Commercial Intelligence Service are free to subscribers to the Commercial Intelligence Journal.

- Commercial Intelligence Journal Weekly (In English and French), containing Reports of Trade Commissioners and other Commercial Information.** Annual Subscription: In Canada, \$1; single copies, 5 cents. Outside Canada \$3.50; single copies, 10 cents.
Chinese Markets for Canadian Products (1919). (Price 25 cents.)
German War and its Relation to Canadian Trade (1914). (Price 25 cents.)
Indian Empire as a Market for Canadian Products (1922). (Price 25 cents.)
Markets of British Malaya (1923). (Price 25 cents.)
Markets of Jamaica and the Republic of Colombia, Venezuela and Panama (1922). (Price 25 cents.)
Packing for Overseas Markets (1922). (Price 25 cents.)
Preferential Tariffs of British West Indies (1922). (Price 25 cents.)
Report of Special Trade Commission to Great Britain, France and Italy. (French and English) 1916. (Price 25 cents.)
Representation in British and Foreign Markets (1923). (Price 25 cents.)
Republic of Chile: Its Economic Condition and Trading Opportunities (1923). (Price 25 cents.)
Republic of Peru: Its Development and Commercial Opportunities (1923). (Price 25 cents.)
Russian Trade (1916). (Price 25 cents.)
Trade after the War (1916). (Price 25 cents.)
Timber Import Trade of Australia (1917). (Price 25 cents.)
Trade between Canada and the British West India Colonies (1920). (Price 25 cents.)
Trade of the New Countries of Southeast Europe (1921). (Price 25 cents.)
Trading Opportunities in Scandinavia (1922). (Price 25 cents.)
Trading with Egypt (1921). (Price 25 cents.)
Trading with Greece (1921). (Price 25 cents.)
Trade with South China (1918). (Price 25 cents.)
Trading with Spain (1920). (Price 25 cents.)
Toy Making in Canada (1916). (Price 25 cents.)
West Africa and its Opportunities for Canadian Trade (1921). (Price 25 cents.)

PUBLICATIONS OF THE DOMINION BUREAU OF STATISTICS

The following is an abbreviated list of publications of the Bureau of Statistics.

- Census of Canada.**
Census of Prairie Provinces (1916).
Miscellaneous Statistics respecting the following: Criminal; Education; Finance (Provincial and Municipal); Transportation, including railways and tramways, express, telegraphs, telephones water, etc.; Production, including agriculture, furs, fisheries, forestry, mining and manufactures: Vital (annual and monthly).
Monthly Bulletin of Agricultural Statistics
Year Book of Canada.
Report of the Dominion Statistician, Annual.
Trade of Canada (Imports and Exports), Annual and Monthly.
Trade (Internal), including grain, live stock, coal prices, etc.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

James Cormack. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

P. W. Cook. Address for letters—P. O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300. Office—North China Daily News Building, 17 The Bund, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Gutrufhaus, Neuerwall 10, Hamburg 36. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czechoslovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watermill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230, office, Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

Netherlands East Indies

R. S. O'Meara, P. O. Box 84, Batavia, Java. (Territory covers Straits Settlements, Federated Malay States, Indo-China, and Siam.) *Cable Address, Canadian.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P. O. Box 683; Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia). *Cable Address, Sleighting, London.*

J. Forsyth Smith, Century Bldg., 31 North John street, Liverpool. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales). *Cable Address, Cantracom.*

Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands). *Cable Address, Canadian.*

Gordon B. Johnson, 37 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, April 24, 1926

No. 1160

TABLE OF CONTENTS

	Page		Page
Lumber Market of Japan; Forthcoming Publication	505	Kenya Government Plan Extensive Building Programme	522
Trade Commissioners on Business Tours in Canada: Notice to Exporters	506	Economic and Financial Conditions in Brazil	523
Peru as a Market for Canadian Products:		Market for Sardines in Brazil	524
I. Introductory.	507	Is Artificial Silk a Substitute?	525
II. Market for Wheat and Flour	510	Spraying of Apples in West Australia	525
Canadian Exports of Manufactured Rubber Goods	512	Market for Drugs and Chemists' Sundries in Mexico	526
Imports into the United Kingdom of Interest to Canadian Firms, 1924 and 1925	514	Commercial Conditions in Mexico	532
Exports of Czecho-Slovakia	516	Dominion of Canada Tariff Changes, 1926-27	533
North of England Commodity Markets	517	Canadian Representatives Travelling Abroad should visit Trade Commissioners' Offices	538
North of England Egg Market	519	Trade Commissioner E. L. McColl's forthcoming Business Tour of Canada	539
West of England and South Wales Commercial Notes:		Classification of Paper, Paperboard and Card-board in Argentina	539
Cardiff City Council's Tender for Insulated Cables	520	Customs Changes in St. Louis	539
South Wales Anthracite Coal Trade Active Effect of the Subsidy in the South Wales Mining Industry	520	Foreign Exchange Quotations for Week ending April 19	540
Trade Conditions in the Birmingham Area	521	Trade Inquiries for Canadian Products	540
Regulations Governing the Food and Farm Products Imported into Scotland and Northern Ireland	521	Proposed Sailings from Canadian Ports	541
		List of Acts Administered and Publications Issued	543
		Commercial Intelligence Service	544

"LUMBER MARKET OF JAPAN": NEW FORTHCOMING PUBLICATION

A supplement to the *Commercial Intelligence Journal* under the above title by Mr. A. E. Bryan, Inspector, Trade Commissioners' Offices, formerly Trade Commissioner to Japan, is in the press and will shortly be published. With the exception of one chapter on "Market Demands, Specifications and Requirements", which has appeared in the *Commercial Intelligence Journal*, the whole of this report will now be first published. It includes chapters on the Domestic Timber Industry of Japan; Afforestation; Siberia as a Competitor in the Japanese Market; Conditions Governing Demand and Supply; the Comparative Importance of the Lumber Trade to Canada and Japan; an Analysis of Japan's Timber Imports since the Earthquake; Price Movements; the Freight Market; and Grades and Inspection of Lumber.

The price of this pamphlet, which will extend to about 80 pages, is 25 cents, but it should be noted that a copy will be sent free *on request* to any subscriber to the *Commercial Intelligence Journal*. As the edition is limited, and it will not be possible to print a second issue, very early application for copies should be made to the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa.

TRADE COMMISSIONERS ON BUSINESS TOURS IN CANADA: NOTICE TO EXPORTERS

Mr. H. R. Poussette

Mr. H. R. Poussette, recently appointed Trade Commissioner to India and Ceylon, is at present on a business tour in the Dominion in the interests of Canadian trade not only with India and Ceylon but with his former territory in the British West Indies, which includes Trinidad, Barbados, and the Windward and Leeward Islands, as well as British Guiana, Porto Rico, and Venezuela. The following is the first part of his itinerary:—

Montreal, Sherbrooke, Drummondville, Lachute, etc.	April 16 to 30.
Brockville	May 3.
Gananoque	May 4.
Kingston and Oshawa	May 5 and 6.
Toronto, Oakville and northern towns	May 7 to 25.
Hamilton	May 26 to 28.
Border Cities	May 31 to June 2.
London	June 3 and 4.
Stratford	June 7.
Guelph	June 8.
Preston and Calt	June 9 and 10.
Brantford, Paris and Woodstock	June 11 to 15.
St. Catharines, Welland and Niagara Falls	June 16 to 18.

Mr. A. B. Muddiman

Mr. A. B. Muddiman, formerly Canadian Trade Commissioner in Singapore, who is on his way to Rotterdam, is also making a business trip in the interests of Canadian trade with Straits Settlements, Siam, and the Dutch East Indies, as well as with Holland.

The following are the later dates in his itinerary:—

London	April 25.
Montreal	April 29 to May 13.
Quebec	May 13 to 16.
Halifax	May 17 to 19.
St. John	May 20 to 22.

Canadian firms who desire to be brought in touch with either of these Commissioners, or to interview them, are requested to communicate with the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa.

SAMPLES FOR SOUTH AFRICA: NOTICE TO EXPORTERS

The attention of Canadian exporters to South Africa is specially directed to the fact that, through the courtesy of Messrs. Elder Dempster & Co. Limited, Montreal, operating regular steamship services between Canada and South Africa, introductory sets of samples of reasonable bulk are carried free of charge to South African ports.

Samples, of course, must be prepaid to Messrs. Elder Dempster & Co., Montreal, and they should be covered by regular invoice forms with the usual declarations, as otherwise difficulties arise on their receipt in South Africa. The company must also be satisfied that such shipments are bona-fide samples for the purpose of increasing business between the two countries.

It should also be noted that a sample room has been added to the premises of the Canadian Trade Commissioner in Cape Town, and is available to Canadian exporters, where samples are on view to the buyers of wholesale establishments and interested agents in the Union until such time as suitable selling connections are formed.

PERU AS A MARKET FOR CANADIAN PRODUCTS

TRADE COMMISSIONER E. L. MCCOLL

[Subjoined is the first of a series of reports on Trade Conditions and Opportunities in Peru, which has been prepared by Mr. McColl after a recent visit to that country in which he investigated the openings for Canadian trade. Other reports on specific products will be published in subsequent issues.]

I. Introductory

Ottawa, April 17, 1926.—Peru, blessed with a stable government in the form of a wise and progressive semi-dictatorship, is making steady progress in development. It is a country full of agricultural and mining possibilities. The foreign trade shows a very creditable and even remarkable progress when comparing the yearly average for the five years 1909-13 with the yearly average for the five-year period 1920-24. The figures are as follows:—

YEARLY AVERAGE EXPRESSED IN CANADIAN CURRENCY

Years	Imports	Exports	Total
1909-13..	\$20,757,000	\$31,652,000	\$ 52,409,000
1920-24..	62,223,000	95,780,000	158,003,000
1925..	68,301,000	84,875,000	153,176,000

Statistics show that every year since 1877 there has been a favourable balance of trade.

PHYSICAL GEOGRAPHY

Peru, which has a land area of 600,000 square miles, lies between the Equator and the Tropic of Capricorn on the Pacific coast of South America. It is divided into three clearly defined zones: the Coast, the Andean, and the Montana.

The Coast region, a large section of which is rainless and barren, is a narrow strip of land extending 1,200 miles along the sea and reaching inland to the foothills of the Andes with an average depth of some 30 miles. Throughout the greater portion of this territory the climate is tropical. The Andean section, about 250 miles in width, includes the mountain ranges with the foothills on either side, amongst which are many fertile and beautiful valleys and tablelands which have a temperate and refreshing climate. The Montana or forest section, consisting of some 200,000 square miles, a large portion of which is little known tropical country, is the hinterland extending from the eastern foothills of the Andes to the borders of Bolivia, Brazil, and Colombia, and lying largely within the basin of the Amazon. The dense vegetation of this section of the country is a contrast in appearance to the barren-looking coast on the western side of the mountains. Through the Montana flows a network of rivers working their way to the Amazon. Though little used at present, these rivers will serve some day as waterways of trade leading to the Atlantic.

LAKES AND RIVERS

There are numerous lakes among the mountains, chief of which is lake Titicaca, nearly 200 miles long, on the Bolivian frontier. It is the highest lake in the world upon which there is commercial navigation, there being a fleet of steamers, some of which are 1,000 tons register, carrying freight and passengers a distance of 110 miles to and from the water ports of Puno in Peru and Guaqui in Bolivia. This lake has a maximum depth of 1,000 feet and is located at an altitude of 12,500 feet above sea level.

The Coastal region is watered by numerous rivers flowing westward from the mountains, but they are all small and of no importance, many of them being without water during the dry season. The Andean region has several important

rivers flowing north, several of which make their way to the Marañon, the principal river of Peru. The Marañon, with its source in the Andes, flows eastward through the extreme north of the republic until fed by countless streams and rivers it becomes the mightiest watercourse in the world, the Amazon. On the Marañon about 100 miles from the Colombian frontier is the Peruvian river port of Iquitos, the highest point reached by ocean steamers plying on the Amazon. This port might be called the back door to Peru. It is now a very important outlet to the Atlantic for the eastern section of the republic.

CLIMATE AND POPULATION

The Coast, although situated within the tropics, is cool and pleasant owing to the Humboldt current which flows from the south along the Peruvian shore. This region, with an average temperature of 68° F., is 7° F. cooler than the corresponding location on the Atlantic coast. Rain falls but seldom, consequently a large portion of the coast line is arid and uninviting to the eye from lack of vegetation, but this want of rain has its compensation as the wealth of nitrates which the land possesses have not been washed away. Irrigation which is being carried out on a large and increasing scale is proving that the land can be made very fertile by the abundance of the cotton and sugar crops which are continually increasing from year to year; also behind these apparently barren shores the land abounds in minerals which are adding much wealth to the country.

The climate of the Andean region is naturally variable; and the Montana region with an abundance of rain has also a variable climate, temperate and pleasing in the uplands, but hot and humid amidst the luxuriant tropical growth of the valleys.

The population of Peru is estimated to be slightly over four millions.

ANIMALS, LIVE STOCK, ETC.

Amongst the animals of Peru there are four which are allied to the camel but smaller and without the hump. These are the llama, alpaca, guanaco, and the vicuña, all native to Peru and adjacent countries of the Andes. Their hair, which differs in quality, is of much commercial value for making cloth, for which purpose it is often mixed with silk or cotton.

Peru's live stock industry is confined to home consumption. Her imports and exports of either live animals or meat is unimportant. Peru does, however, produce sufficient meat to supply her domestic needs, which is a very important factor in any country's economic life.

The Department of Agriculture published in February, 1922, the following estimates: sheep and goats, 11,056,336; cattle, 1,302,151; swine, 469,477. There is no official estimate of horses and mules, but some authorities place the number at about 300,000.

Fish abound in the coastal waters and in the rivers and lakes. Some of the kinds found are closely related to the haddock, plaice, sole, skate, cod, mackerel, smelt, flounder, and lobster.

Cedar, walnut, iron wood and a species of mahogany are the best-known cabinet woods. Soft, strong, easily workable woods such as exist in the north of North America are not to be found in Peru. The Panama hat industry has its centre in northern Peru. These hats are made from one of the numerous species of palm trees found growing in this locality.

All kinds of tropical fruits are grown, including olives, limes, oranges, lemons, and bananas.

EXPORT TRADE OF PERU

In the quantities and values which are given in the following statistics the metric ton of 2,205 pounds and the Canadian dollar are used:—

Cotton, petroleum, sugar, and copper are the principal exports in the order named, forming more than 80 per cent of the total. During 1925, 1,323,387 tons of merchandise were exported, an increase of about 110,000 tons over 1924. The United States took 25 per cent of this tonnage, largely in the form of petroleum, metals and ores. Canada received 300,000 tons of merchandise from Peru, or 23 per cent of the total tonnage exported.

Chief Exports from Peru by Commodities

	1925		1924	
	Tons	Value	Tons	Value
Petroleum.. . . .	951,412	\$22,505,000	785,873	\$24,075,000
Sugar.. . . .	208,140	8,735,000	265,510	19,906,000
Cotton.. . . .	39,903	24,267,000	40,218	25,334,000
Copper.. . . .	36,799	16,974,000	37,091	14,309,000
Cottonseed cake.. . . .	23,431	564,000	22,048	525,000
Minerals in bulk.. . . .	14,883	941,000	7,684	2,547,000
Concentrates.. . . .	6,929	186,000	2,281	861,000
Cottonseed.. . . .	4,689	2,940,000	19,282	771,000
Wool.. . . .	4,791	329,000	6,287	3,900,000
Vanadium.. . . .	3,433	1,326,000	5,402	615,000
Cottonseed oil.. . . .	3,315	1,195,000	4,574	1,994,000
Hides.. . . .	2,962	1,195,000	2,223	840,000
Total (including port of Iquitos).. . . .	1,323,387	\$66,595,000	1,216,657	\$100,457,000

IMPORTS

The imports into Peru during 1925 are valued at \$68,301,000, while those for 1924 amounted to \$68,363,000. As details are not given for the twelve months of 1925, it has been thought better to use 1924 statistics for the purpose of analysis. The following list gives in detail the imports for 1923-24 and the first nine months of 1925:—

	1923	1924	
		In \$1,000	Nine months ending Sept. 30, 1925
Cotton.. . . .	\$ 7,746	\$ 8,693	\$ 5,005
Wool.. . . .	2,724	2,683	2,250
Linen threads, jute, etc.. . . .	1,331	1,657	1,391
Silks, natural and artificial.. . . .	477	412	462
Skins.. . . .	379	512	374
Various articles.. . . .	173	204	70
Furniture.. . . .	374	569	441
Metals.. . . .	6,405	8,732	6,184
Stones, earths, etc.. . . .	2,197	2,741	1,918
Woods.. . . .	2,570	3,385	2,637
Varnishes.. . . .	161	343	200
Live animals.. . . .	2,459	2,837	2,162
Office supplies.. . . .	1,472	1,662	1,222
Hardware, vehicles, machinery.. . . .	8,324	11,853	11,475
Musical instruments.. . . .	458	502	361
Arms and munitions.. . . .	682	809	474
Electrical apparatus and machinery.. . . .	1,062	1,398	1,110
Articles, miscellaneous.. . . .	1,522	1,445	983
Drinks.. . . .	469	345	227
Food products.. . . .	9,597	14,481	10,820
Chemicals and pharmaceutical.. . . .	1,438	1,561	1,129
Toilet articles.. . . .	161	189	167
Imported through Amazon port of Iquitos.. . . .	1,118	1,391	1,099
Total nine months, 1925.. . . .	.....	.....	.....
Last three months, 1925.. . . .	.....	.....	13,979
Total for 1923, 1924 and 1925.. . . .	\$53,503	\$68,363	\$68,301

II. Market for Wheat and Flour

The cultivation of wheat in Peru is increasing, but so slowly that it can almost be said to be at a standstill. It is entirely confined to the foothills of the Andes, as the other sections of the country are not suitable for its production. The average yearly production for the six years ending 1923 was 72,000 metric tons. This wheat is almost entirely milled in the vicinity of its cultivation, the coastal region being supplied by imported wheat and flour. The area suitable for wheat growing is very limited, and the wheat harvested will never be able to supply much more than the immediate neighbourhood. As the



coastal region, where wheat cannot be cultivated, grows in population, importation will require to maintain an equivalent increase to supply the needs of the people. Imports of wheat have increased from 47,000 metric tons in 1915 to 97,000 tons in 1924. The following are the countries of origin with percentage of total supplied by each during 1924: Argentina, 20 per cent; Australia, 7 per cent; Canada, 10 per cent; Chile, 61.5 per cent; United States, 1.5 per cent.

FLOUR IMPORTS

The foreign flour imported rose in quantity from 2,252 tons in 1915 to 11,393 tons in 1922, but since that time importation has declined. In 1924, 6,727

tons were imported, 5,058 tons coming from the United States and none from Canada. The duty on flour is 4 centavos per kilo., which is approximately equivalent at the present exchange to \$15.20 (Canadian) per ton of 1,000 kilos. Wheat pays a duty of 1.25 centavos, or approximately \$4.75 (Canadian) per metric ton. As wheat produces only 70 per cent of its weight in flour, this duty is equivalent to \$6.79 per ton on the flour produced.

During 1925 Canadian flour to the value of \$8,825 was shipped to Peru. The success which this flour had is not known, but the writer interviewed one importer who had received a consignment of 25 tons from a Canadian miller three years ago. As soon as the Canadian flour arrived the price for the national product was put down below the cost of the Canadian. The shipment referred to, which was on consignment, was in the hands of a thoroughly reliable agent who disposed of it slowly but carefully and with little or no loss to the shipper.

United States brands of flour are well known, but even these seem to be losing ground, so that whether or not a determined and vigorous policy directed towards the Peruvian market by Canadian millers will be successful can only be decided by trial. The writer found that, out of a dozen food products importers interviewed at Lima, ten were not enthusiastic and would not undertake the importation of flour under any circumstances. Two reliable merchants, however, were confident that something could be done providing the Canadian millers were willing to make a determined effort.

Lima is the least important of the foreign flour distributing centres. The 6,727 tons of foreign flour imported entered at the different ports of Peru according to the following percentages: Mollendo, 30 per cent; Paita, 21 per cent; Salaverry, 10 per cent; Pimental, 10 per cent; Pisco, 9 per cent; Callao (Lima), 8 per cent; Pacasmayo, 8 per cent; and others, 4 per cent.

As has been stated, 97,000 tons of wheat were imported into Peru during the year 1924. Of this amount, 1,545 entered Mollendo. An analysis of the amount of wheat and flour coming into the different ports will explain the situation exactly. The centre of the milling industry is Lima and its port, Callao. Consequently the wheat comes to this centre and foreign flour avoids it. Callao is the main port of Peru, yet only 8 per cent of the flour imports enter at this point. It is seen that the largest entry of flour is via Mollendo, 500 miles south of Callao. The three main ports for Bolivia are: Mollendo, with a population of about 10,000, including suburbs; Arequipa, with population 50,000; and Cuzco, the ancient capital of the Inca Empire, with a population of 30,000. Arequipa is the business section of southern Peru and is one of the centres from which Canadian millers should operate if they intend to try out the opportunities which exist there.

The second field of importance in the above list is the port of Paita. This point should probably prove the most interesting from a Canadian point of view. It is at the extreme north of Peru, 600 miles from Lima and 1,300 miles from Valparaiso. In other words, Callao, Lima, and Chilean competition would be less felt at this point, although United States flour, already established, would offer keen competition. Paita is a small town of only 3,500 inhabitants, but it is the third port of importance in Peru in respect to tonnage received and exported. It is the port of the Department of Piura and its capital city of the same name. This district is the centre of the Panama hat and cotton industry. The Royal Bank of Canada have a branch at Piura, the manager of which will be glad to assist Canadian exporters where there are opportunities.

An important and reliable merchant of Huacho, a port 100 miles north of Callao, expressed himself as optimistic regarding the opportunities which existed in his territory for Canadian flour, and he asked to be put in touch with Canadian millers.

It is the opinion of the writer that the explanation for the smallness of Canada's share in the flour market of Peru is that connections have been made with importers located in Lima and Callao which, while being the main importing and distributing centre of Peru, is at the same time the heart of the milling industry and therefore an impossible place in which to meet national competition.

Lima and Callao millers are selling flour f.o.b. Callao and other Peruvian ports at the equivalent of \$4.75 (Canadian) per sack. This flour will not require to pay duties when re-entering Peru through other ports. Freight from Callao and principal coastal ports is as follows:—

	Metric ton
Conference rates to Mollendo.....	\$7.13
Conference rates, to Paita.....	\$4.28
National coastal ships to Mollendo.....	\$5.32
National coastal ships to Paita.....	\$3.42
Insurance rates on conference lines are $\frac{1}{4}$ per cent ad valorem and national coastal ships $1\frac{1}{8}$ per cent ad valorem.	

A large quantity of flour is shipped by national lines in small lots having a value of not more than \$1,000 (Canadian). Insurance is very seldom placed on such shipments. Quotations by United States millers c.i.f. Peruvian ports were said also to be \$4.75 per sack.

CANADIAN EXPORTS OF MANUFACTURED RUBBER GOODS

The production of manufactured rubber goods in Canada has shown steady development, and at the present time this industry holds an important place among Canadian manufactures. The total exports of manufactured rubber goods for the fiscal years ending March 31 from 1917 to 1926 were as follows:

1917	\$ 2,436,897	1922	\$ 3,999,186
1918	2,648,805	1923	6,842,775
1919	5,499,665	1924	9,144,325
1920	9,627,754	1925	11,244,942
1921	10,706,012	*1926	15,117,501

* Ten months ending January, 1926.

With the exception of 1922 and 1923, when there was a general depression following the post-war boom, the exports have shown notable increases. Canadian manufactured rubber goods were, in the last calendar year, sent to more than 100 different countries, 30 of which were in the British Empire. The chief items of export in 1925, as classified by the Dominion Bureau of Statistics were, in order of value, pneumatic tires and tire casings; canvas shoes with rubber soles; boots and shoes of rubber; inner tubes; belting of rubber; rubber hose; solid rubber tires; and all other manufactures of rubber.

Pneumatic Tires and Tire Casings.—The total value of exports under this heading amounted to \$9,731,121 in 1925 as compared with \$5,416,377 for the previous calendar year. They were shipped to over 50 countries, the most important being the United Kingdom which bought to the value of \$1,696,100. The other chief countries of destination were New Zealand (\$1,140,405); Argentina (\$698,045); South Africa (\$633,767); India (\$495,675); Australia (\$449,671); France (\$379,009); Straits Settlements (\$354,733); Dutch East Indies (\$350,941); and Brazil (\$334,583). Increased purchases were made by each of these countries with the exception of Australia, where the exports declined by \$27,544.

Canvas Shoes with Rubber Soles.—Exports were valued at \$2,286,836 for the calendar year 1925 against \$1,824,488 in 1924. Purchases were made by 27 countries. Argentina was the largest purchaser, to the value of \$552,798, which is a decrease from the previous year of \$22,765. Other important markets were the United Kingdom (\$463,029); New Zealand (\$263,158); South Africa

(\$157,686); Australia (\$120,748); Mexico (\$107,041); Jamaica (\$96,545); Uruguay (\$73,867); Trinidad (\$73,830); and India (\$53,605). With the exception of Argentina, Australia was the only other important market that registered a decrease (\$25,000).

Boots and Shoes of Rubber.—The value of exports in 1925 was \$1,848,474 against \$854,156 in 1924. The United Kingdom took to the value of \$1,356,284 or 73 per cent (\$389,281 in 1924). Other purchasers were: Newfoundland (\$287,235); New Zealand (\$154,723); Australia (\$37,752); Italy (\$34,904); Denmark (\$20,137); St. Pierre and Miquelon (\$15,760); and South Africa (\$14,253). Increases were made to every market except South Africa, where the exports decreased by over 70 per cent (\$38,000).

Inner Tubes.—Exports in 1925 were valued at \$1,695,795 against \$849,182 in 1924, and were made to 34 countries. New Zealand, was the largest customer, her purchases amounting to \$299,552, an increase of over \$200,000 from the previous year. The United Kingdom purchased to the value of \$235,951 as compared with \$148,388 in 1924. Exports were also shipped to Argentina (\$188,455); Brazil (\$117,941); South Africa (\$114,227); India (\$83,862); Australia (\$75,415); Netherlands (\$64,652); and Dutch East Indies (\$64,421). Increased business was done with all these countries.

Belting of Rubber.—The exports were valued at \$615,518 in 1925 against \$383,864 in 1924. Shipments to South Africa were valued at \$139,704, an increase of about \$25,000; those to New Zealand at \$100,135, an increase of \$60,000 over the previous year. Other important customers were Argentina (\$94,115); United Kingdom (\$84,555); and Brazil (\$47,508). These five countries bought approximately 75 per cent of the total exports.

Hose of Rubber.—The value of exports in 1925 was \$216,695 as compared with \$157,208 in 1924. The United States is the principal customer. The value of her purchases in 1925 was \$89,893 as against \$52,551 in 1924. Exports to South Africa amounted to \$44,860, and to New Zealand \$37,760. These three countries took over 78 per cent of Canada's exports.

Solid Rubber Tires.—The exports, consigned to 16 countries, were valued at \$148,929. This item is the only one of the group which shows a decrease (amounting to \$75,000) in value over the previous year. Countries of destination were New Zealand (\$69,028); Dutch East Indies (\$28,166); Straits Settlements (\$24,349); India (\$20,205); and Jamaica (\$19,791).

Although, as has been stated, Canadian manufactured rubber goods were sent to over 10 countries, over 70 per cent of the total exports were shipped to 10 of them. Of these 10 countries 6 are in the British Empire, and they bought over 52 per cent of the total. The leading customer was the United Kingdom, which purchased to the value of \$3,952,001, an increase of over \$1,500,000 from 1924. New Zealand was the second customer, with purchases amounting to \$2,133,610, an increase of over \$800,000. The following table shows the principal countries to which Canada shipped manufactured rubber goods and a comparison of the value for the calendar years 1924 and 1925.

Country	1925	1924
United Kingdom	\$3,952,001	\$2,429,419
New Zealand	2,133,610	1,310,266
Argentina	1,587,348	1,245,948
South Africa	1,133,688	899,744
Australia	719,912	756,765
India	673,648	279,510
Brazil	520,644	247,377
Dutch East Indies	464,253	287,787
France	440,728	189,901
St. Settlements	429,001	106,288

IMPORTS INTO THE UNITED KINGDOM OF INTEREST TO CANADIAN FIRMS, 1924 AND 1925

TRADE COMMISSIONER HARRISON WATSON

The appended table shows total imports and the quantities contributed by Canada and her chief competitors in 1924 and 1925, and should be read as complementary to the reports which were published in *Commercial Intelligence Journal* Nos. 1150 and 1151.

Under all circumstances, Canada's share in wheat is satisfactory, more especially as it is certain that a considerable proportion of what was shipped from American ports, and thus credited to the United States, is really of Canadian growth. A reduced importation of Canadian flour is also noted in 1925. Canada, however, remained pre-eminent in this branch, and supplied nearly half of what was brought into the country.

It is noteworthy that whereas receipts of American bacon fell away in 1925, quantities from Canada exhibited a slight increase, and the same position applies to hams. The live cattle trade, now that preliminary obstacles seem to have been overcome, is making constant progress, and Canadian beasts appear to be making distinct inroads upon the previous monopoly enjoyed by the Irish Free State.

There was also an increase in shipments of Canadian butter, and although this still represents a fractional proportion of the United Kingdom's requirements, better grading is securing Canadian butter a definite recognition, more especially in particular centres. An interesting feature of 1925 is a recovery in shipments of Canadian cheese, which brings the total to within measureable distance of Canada's supplanter and chief rival—New Zealand.

A noteworthy achievement of 1925 is the very large quantity of refined sugar which the Dominion supplied. Imports quadrupled in comparison with 1924.

Although the majority of the Canadian mills are still disinclined to operate in a market which is less profitable to them than that of the United States, the quantity of newsprint which Canada supplied to the United Kingdom made a big jump in 1925. Increased amounts of mechanical wood pulp were also contributed from the Dominion, and imports of timber generally were rather more active.

IMPORTS OF CERTAIN AGRICULTURAL PRODUCTS, ETC., INTO THE UNITED KINGDOM DURING THE CALENDAR YEARS 1924 AND 1925

	1924		1925	
	Quantity Cwts.	Value £	Quantity Cwts.	Value £
<i>Wheat—</i>				
Total imports.. . . .	117,420,522	69,033,960	97,733,345	68,456,570
Canada	38,769,136	23,316,420	29,813,689	20,517,731
United States	30,320,517	18,165,714	27,205,333	19,216,492
Australia	10,871,056	6,251,291	16,305,958	11,667,051
Argentine	24,021,841	13,196,831	11,960,128	8,582,526
British East Indies	9,815,953	6,101,012	7,324,150	5,268,819
<i>Wheat Flour and Meal—</i>				
Total imports	11,045,853	8,325,334	9,121,864	8,263,526
Canada	5,245,845	4,008,613	4,220,134	3,890,150
United States	3,607,992	2,830,891	2,759,740	2,602,488
Australia	1,628,906	1,165,248	1,487,474	1,349,926
Argentine.. . . .	305,386	160,949	409,758	245,483
<i>Barley—</i>				
Total imports	21,656,359	12,093,314	15,873,695	8,573,428
Canada	2,955,856	1,508,227	3,067,701	1,546,344
United States	5,495,965	3,493,695	5,675,133	3,262,914
Chile	1,109,568	663,193	756,218	516,170
<i>Oats—</i>				
Total imports	10,315,735	4,316,661	8,502,454	3,763,479
Canada	3,022,393	1,281,323	3,006,704	1,338,235
United States	2,000,614	869,166	2,298,961	996,772
Argentine	3,527,173	1,383,147	1,297,385	585,556

IMPORTS OF CERTAIN AGRICULTURAL PRODUCTS, ETC., INTO THE UNITED KINGDOM
DURING THE CALENDAR YEARS 1924 AND 1925—*Continued*

	1924		1925	
	Quantity Cwts.	Value £	Quantity Cwts.	Value £
Peas, not fresh—				
Total imports	1,780,348	1,601,969	1,422,074	1,447,726
Canada	5,559	8,731	5,272	8,591
Netherlands	306,188	374,054	429,792	512,318
Japan	485,948	535,373	344,592	414,936
British East Indies	581,690	297,310	344,107	200,428
Bacon—				
Total imports	7,873,377	37,388,638	7,486,620	42,239,817
Canada	1,191,044	5,484,194	1,266,861	6,843,787
Denmark	3,987,160	20,314,125	3,738,834	22,163,854
United States	1,833,824	7,164,916	1,490,394	7,472,307
Hams—				
Total imports	1,636,022	7,670,981	1,517,027	8,543,466
Canada	145,929	692,852	188,499	1,088,227
United States	1,475,228	6,880,345	1,309,687	7,324,953
Cattle, live—	Number		Number	
Total imports	1,010,198	19,114,704	800,144	15,748,246
Canada	76,978	2,202,850	110,155	2,959,149
Irish Free State	931,614	16,866,496	688,120	12,730,934
United States.. . . .	866	25,286	1,634	51,113
Butter—	Cwts.		Cwts.	
Total imports	5,287,244	49,647,492	5,854,501	53,216,141
Canada	131,374	1,269,186	163,137	1,524,024
Denmark	1,734,134	18,118,126	1,658,052	17,110,534
New Zealand	1,081,959	9,956,812	1,255,544	10,789,915
Australia	657,481	5,648,639	1,161,238	9,484,977
Argentina	538,504	4,423,262	484,503	4,030,324
Cheese—				
Total imports	2,887,513	13,552,406	3,102,153	15,711,615
Canada	1,004,508	4,681,760	1,253,968	6,726,182
New Zealand	1,479,293	6,832,870	1,392,871	6,729,920
Italy	137,869	790,513	161,154	802,062
Netherlands	144,037	637,173	141,985	638,870
Eggs, in shell—	Gt. Hunds.		Gt. Hunds.	
Total imports	20,279,499	15,475,588	21,974,042	16,660,510
Canada	270,831	246,997	246,037	217,839
Denmark	6,044,743	5,495,772	5,836,491	5,491,744
Irish Free State	4,686,834	3,363,056	4,566,578	3,298,460
Netherlands	1,234,682	1,025,037	1,691,631	1,409,647
China	1,033,313	660,125	1,101,433	667,693
Poland	730,571	431,283	1,067,720	634,039
Canned Salmon—	Cwts.		Cwts.	
Total imports	895,530	4,615,889	685,096	3,904,099
Canada	205,399	1,033,883	209,520	1,139,401
United States	361,735	1,728,235	254,308	1,320,949
Other Countries (Mainly Siberia)	328,396	1,853,771	221,263	1,443,749
Canned Lobsters—				
Total imports.. . . .	27,037	441,904	31,316	528,544
Canada.. . . .	24,333	398,963	30,283	509,960
Newfoundland and Coast of Labrador.. . . .	1,369	21,233	134	2,307
Sugar, Refined, and Sugar Candy—				
Total imports.. . . .	11,905,074	15,948,070	15,399,031	13,789,390
Canada.. . . .	501,271	711,183	2,152,860	1,910,885
Netherlands.. . . .	3,388,109	4,638,555	4,772,734	4,159,550
Czecho Slovakia.. . . .	4,389,612	5,887,281	3,889,612	3,663,915
United States.. . . .	1,218,855	1,710,497	3,565,477	3,101,941
Asbestos, Raw Fibre and Waste—	tons		tons	
Total imports.. . . .	23,227	555,331	26,808	658,547
Canada.. . . .	8,473	117,010	7,940	141,269
Rhodesia.. . . .	11,026	347,962	14,498	418,042
Copper Ore—				
Total imports.. . . .	39,174	1,957,074	36,763	1,754,899
Canada.. . . .	11,280	564,025	18,382	921,367
Spain.. . . .	19,215	1,065,326	13,322	733,766
Leather, Undressed, Hides—	cwts.		cwts.	
Total imports.. . . .	528,074	3,593,152	529,178	3,908,843
Canada.. . . .	19,483	129,976	10,021	75,550
British India.. . . .	232,894	2,068,888	261,484	2,523,466
United States.. . . .	168,682	628,647	132,492	499,790

IMPORTS OF CERTAIN AGRICULTURAL PRODUCTS, ETC., INTO THE UNITED KINGDOM
DURING THE CALENDAR YEARS 1924 AND 1925—*Concluded*

	1924		1925	
	Quantity Cwts.	Value £	Quantity Cwts.	Value £
<i>Paper, Printed, not Coated, and Writing Paper in Large Sheets—</i>				
Total imports..	4,059,943	4,073,154	4,251,917	4,102,362
Canada..	95,981	99,972	359,694	319,657
Newfoundland and Coast of Labrador..	1,087,322	1,136,363	1,197,955	1,205,071
Norway..	522,707	522,257	842,336	791,666
Finland..	997,465	896,840	673,965	597,396
Sweden..	703,571	640,107	694,744	590,378
<i>Paper, Packing and Wrapping, including Tissue Paper—</i>				
Total imports..	4,226,759	5,112,495	4,488,380	5,413,677
Canada..	122,778	143,328	108,901	128,100
Sweden..	1,620,964	1,899,645	1,699,885	1,963,468
Germany..	997,667	1,133,092	968,099	1,155,708
Norway..	675,830	782,662	913,596	1,062,970
<i>Photographic Appliances—</i>				
Total imports..	.....	1,417,910	.....	1,475,363
Canada..	.....	598,766	.....	509,563
United States..	.....	403,565	.....	529,191
Germany..	.....	173,422	.....	173,139
France..	.....	146,186	.....	167,347
<i>Seeds for Expressing Oil, Flax or Linseed—</i>				
Total imports..	445,101	8,782,089	340,956	7,286,304
Canada..	189	4,350	1,505	34,700
British East Indies..	121,720	2,607,033	146,726	3,376,184
Argentina..	297,700	5,630,432	151,329	3,059,369
<i>Wood and Timber, Hewn, Hard, Other than Mahogany—</i>				
Total imports..	4,612,718	974,948	4,392,324	846,175
Canada..	586,629	131,386	600,068	150,399
United States..	762,145	167,258	1,037,440	191,494
British East Indies..	297,243	151,737	69,969	40,203
<i>Wood and Timber, Hewn, Soft—</i>				
Total imports..	377,883	1,795,646	456,932	1,870,266
Canada..	11,889	105,335	14,455	171,524
United States..	98,340	797,554	71,924	565,235
Russia..	110,387	245,782	160,205	384,173
Norway..	46,200	207,648	48,972	218,126
Sweden..	45,048	205,499	48,809	210,346
<i>Wood and Timber, Sawn, Hard, Other than Mahogany—</i>				
Total imports..	24,170,954	6,499,393	26,728,084	6,658,801
Canada..	3,741,712	642,909	4,418,161	709,644
United States..	14,258,156	3,892,520	15,347,509	3,837,598
British East Indies..	1,662,374	755,870	1,715,500	776,321
<i>Wood and Timber, Sawn, Soft—</i>				
Total imports..	5,136,983	27,457,201	4,995,395	24,303,900
Canada..	343,980	2,423,328	352,350	2,219,623
Finland..	1,314,908	6,411,788	1,410,231	6,149,049
Russia..	938,795	4,886,924	953,286	4,557,571
Sweden..	872,831	4,577,430	925,719	4,379,816
<i>Wood Pulp, Mechanical, Wet—</i>				
Total imports..	739,064	3,378,055	758,358	3,142,543
Canada..	78,515	393,274	123,134	527,633
Norway..	367,685	1,641,403	441,531	1,829,432
Sweden..	217,085	1,003,428	157,269	641,205

EXPORTS OF CZECHO-SLOVAKIA

The total value of Czecho-Slovak exports in February reached \$44,250,000, as compared with \$35,370,000 in January. Imports amounted to \$38,430,000. Among the exports, decreases in barley and malt were more than offset by increases in iron goods, sugar, and cotton and wool goods. Imports of machinery declined in value, while imports of grains, tobacco, and cotton increased. The Government is introducing legislation providing for substantial reductions in import duties on agricultural tractors and for fixed duties on agricultural products, to replace the present sliding scale.

NORTH OF ENGLAND COMMODITY MARKETS

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

TIMBER

Liverpool, April 8, 1926.—General market conditions have shown some improvement during the past month. Stocks of Canadian spruce have moved fairly well and buyers have shown more willingness to discuss f.o.w. commitments for the best productions, but the disparity of values as between shippers and importers has tended to limit the number of contracts placed. A number of sales have recently been concluded in the better class Miramachi spruce.

Detailed specifications covering Canadian offers of spruce are of far greater importance at present than in former years, as, owing to competition from the continent, buyers are looking closer than ever into shippers' offers. On scantlings the demand at present is chiefly for sizes of 2½ inches by 7 inches, 3 inches by 7 inches, and 3 inches by 9 inches and 11 inches. Offerings of 3 inches by 10 inches, and 3 inches by 12 inches should be reduced if possible.

Importers are awaiting the new arrivals of birch timber. Lumber values have stiffened resulting from the somewhat lessened output in the Maritime Provinces owing to unfavourable winter conditions. Pine lumber has been steady but the stock of waney pine timber has been in excess of demand. Douglas fir "clear" has been more active during March.

For the month ending March 31, 1926 unofficial statistics of certain timber imports, consumption and stock are given in comparison with the corresponding period of 1924 and 1925 as follows:—

	Liverpool Import		Consumption		Stock	
	1925	1926	1925	1926	1925	1926
Douglas fir (cu. ft.).. . . .	7,000	75,000	38,000	76,000	154,000	178,000
Birch logs (cu. ft.).. . . .	55,000	Nil	27,000	4,000	67,000	30,000
Birch planks (cu. ft.).. . . .	54,000	19,000	35,000	40,000	153,000	145,000
Quebec yellow pine deals (stds.)..	170	70	300	370	3,910	4,980
N.B. and N.S. spruce and pine stds.	1,090	1,500	960	1,940	4,760	5,520
<i>Manchester</i>						
Douglas fir (cu. ft.).. . . .	12,000	Nil	29,000	18,000	57,000	56,000
Birch logs (cu. ft.).. . . .	6,000	Nil	4,000	Nil	2,000	7,000
Birch planks.. . . .	37,000	1,000	16,000	12,000	90,000	117,000
Spruce deals (stds.).. . . .	450	820	930	760	5,590	2,720

GRAIN AND FLOUR

A recent feature of the wheat market has been the number of cargoes coming forward on order which have been diverted to the Continent. Lately Argentine wheat has been to the fore on the Liverpool market, recent prices of Southern Plate for March-April shipment being 50s. 6d. per quarter c.i.f. Manitoba No. 1 afloat toward the end of the month stood at 57s. 6d. c.i.f. A certain trade has been passing in new crop American No. 2 winter wheat for July-August shipment at 50s. 9d.

In the flour trade a generally unsatisfactory situation continues, and the most depressing reports come from the home milling industry as a result of over-production and price-cutting. The milling capacity of this country, which was too great before the war, and which was increased during the period of hostilities, is now definitely in advance of consumption. The tendency seems to be for the larger organizations to force the smaller millers to shut down, and until the process of reorganization is further advanced, imported flour on this market must continue to meet very severe competition. Toward the end of the month Canadian export patents were sold at 41s. 6d. c.i.f. and closing quotations were around 43s. 6d. Home millers were asking 42s. 6d. ex mill for straight run flour, which is around 2s. per sack (280 pounds) better than c.i.f. Australian flour was sold at 39s. 3d. earlier in the month and closed at around 40s. American flour continues to be over the market.

The preliminary figures showing the imports of grain and flour to this area for the month of March 1926 are as follows:—

	Wheat Quarters	Flour Sacks	Maize Quarters	Barley Quarters	Oats Quarters
Liverpool	473,607	27,104	53,402	2,680	17,857
Hull	288,917	1,065	115,543	31,526	70
Manchester	193,403	4,864	12,368	147	2,000
Newcastle	41,183	4,512	2,165	36	...

BUTTER

There was not much alteration in the butter market during March. The demand for Continental butters continued good at the expense of Australian and New Zealand, although the price of Australian rose somewhat as a result of smaller arrivals as compared with the same period of last year, and of the demand from Canada for shipment ex English ports. During the last week of the month the price of Danish butter for shipment was unexpectedly reduced 1d. per pound, which had the effect of still further reducing the demand for New Zealand, which closed the month at around 174s. to 176s. per cwt. Australian quotations averaged 2s. less. Argentine butters, which will be finishing within the next two months, closed the month around 164s. Danish offers on March 31 were from 190s. to 192s. No spot sales of Canadian butter were reported.

CHEESE

March was a dragging month in the cheese trade. Relatively cheap prices of New Zealand white varieties made it difficult to sell Canadian. The demand for Canadian coloured cheese has been fairly good, ranging from 102s. for November makes up to 108s. for September cheeses. New Zealand white varieties at the end of the month were averaging 98s. with coloured around 100s. There has been a good supply of current makes of Cheshire cheese on this market at comparatively low prices.

BACON

March was a quiet month in the bacon trade except for the last ten days, when both Canadian and Danish prices rose appreciably. Irish bacon has continued scarce and dear, and the demand for American has been slow. Closing prices on this market were as follows: Canadian Wiltshire cuts, 50-80 pound average, 109s. to 120s. per cwt; American Cumberlands, 24-32 pound average, 102s. to 106s.; American Wiltshire, 50 to 60 pounds, 100s. to 103s.; Irish, 130s. to 142s.; and Danish, 131s. to 134s.

The following are unofficial estimates of the stocks of provisions in the Port of Liverpool on March 31, 1926 in comparison with February 28, 1926, and March 31, 1925.

	Mar. 31, 1926	Feb. 28, 1926	Mar. 31, 1925
Bacon.. . . . . .(Boxes)	13,578	13,062	16,794
Hams.. . . . . .(Boxes)	4,293	5,133	12,354
Shoulders.. . . . . .(Boxes)	1,328	927	4,072
Butter (all countries).. . . . . .(Cwts.)	5,519	5,944	3,900
Cheese (full shapes) Canadian and States.. . . . . .(Boxes)	12,750	14,651	2,611
Cheese (full shapes), New Zealand and Australian (Crates)	3,598	1,603	1,802
Cheese (full shapes), 50 lbs. and under.. . . . . .(Boxes)	20	90	430
Cheese (full shapes), manufactured .. . . . . .(Pounds)	8,030	4,945	...
Lard (prime steam western).. . . . . .(Tierces)	692	760	870
Lard (imported pure refined lard in tierces, firkins or other packages.. . . . . .(Tons)	810	763	1,324

HAY

Over 15,000 bales of Canadian hay arrived at Liverpool during the past month. There has been a slightly easier tendency in prices even for present shipments, in the expectation of the opening of navigation on the St. Lawrence, when lower values are looked for. Average prices during the month were in the neighbourhood of 90s. to 92s. 6d. c.i.f. Liverpool.

A small shipment of Norwegian hay came to Liverpool during March. This

hay, which is of a different grade entirely to Canadian, has not so far affected Canadian shipments, and serious competition from this source is not looked for.

CATTLE

During March 3,679 stores and 932 fat cattle arrived at Birkenhead from Canada. Recent average prices have been as follows: native heifers, 10d. to 10½d. per pound sinking the offal; native steers, 9¾d. to 10d. per pound, and Western steers 9d. to 9½d.

POULTRY

During March the Liverpool Customs Entry reported the arrival of 979 cases of Canadian and 1,007 cases of American chickens. Although the season is about finished for imported supplies, Canadian firms not represented on this market are invited to communicate with this office, when they will be placed in touch with importers with a view to making arrangements for next season.

THE NORTH OF ENGLAND EGG MARKET

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, April 7, 1926.—The usual seasonal decline in the price of fresh eggs took place during the past month and with increased production, due to the recent mild weather conditions, it is generally considered that the height of the spring producing season has been reached. Irish fresh eggs on the Liverpool market have declined during March about 2s. 6d., and at the close were quoted around 12s. 6d. per 120 eggs.

Cold storage operations are now in full swing and will continue active for the next two months. Imported eggs have reached lower values along with the fresh, new arrivals of Polish eggs bringing 12s. for best 14 pounds selection early in March. Later values of these eggs have been at 9s. 3d. which price ruled at the close of the month.

At present prices there is more demand for storage purposes, and it is thought that there will be little, if any, decline in ruling quotations. It is also believed that prices next season will be very similar to those quoted last fall for Irish cold stores and other classes of eggs. The prices obtained for Irish cold stores in 1925 were hardly satisfactory for speculators, considering the length of time the money was invested, the high cost of cold storage, cost of re-packing, etc. Storage first costs last year were about 6d. to 9d. per 120 dearer than to-day. About 11s. per 120 will be the figure paid for eggs laid into cold storage at Liverpool. If the usual charges of storage, re-packing, etc., are added to the cost, the cost price at delivery should be in the neighbourhood of 14s. to 14s. 6d., which will allow these eggs to be sold at a fair profit for 16s. to 17s. per 120. It is this competition that Canadian eggs have to meet in the northwest of England.

Prices for Danish pickled eggs have not yet been generally published, but from the price of the fresh eggs it is anticipated that the pickled qualities will be from 15s. to 15s. 6d. f.o.b. Denmark for 15½ pounds selected eggs for contract deliveries during the autumn.

It is believed that considerable supplies will be forthcoming from Russia, as this trade is gradually developing its pre-war dimensions and the quality of Russian eggs is improving each season.

Some doubt is entertained as to whether quite so many Argentine and South African eggs will be imported this season unless packing and quality are improved and prices lowered. Last year importers of eggs from these countries lost money owing to inferior quality, bad stowage in the steamers, and high costs.

Any interested Canadian firms are invited to communicate with this office.

WEST OF ENGLAND AND SOUTH WALES COMMERCIAL NOTES

TRADE COMMISSIONER DOUGLAS S. COLE

Cardiff City Council's Tender for Insulated Cables

Bristol, April 7, 1926.—Cardiff City Council have decided to accept an English firm's offer of approximately \$51,000 for insulated cables, in preference to a Belgian tender of \$45,000. This action is in line with the increasing tendency for civic and other bodies in this country to accept only United Kingdom tenders on contracts. In the above instance, the factor of lower wages in Belgium had a direct bearing on the contract price, a comparison of the International Labour Office, showing that, in 1925, Belgian real wages were 55 per cent below those of England.

South Wales Anthracite Coal Trade Active

Despite the settlement of the anthracite coal strike in the United States substantial tonnage (about 10,000 tons per week) is being shipped from South Wales. The general coal depression is in no way affecting the anthracite trade and employment is satisfactory throughout the anthracite area. Directly Montreal traffic opens up it is predicted in Swansea that a larger trade than in 1925 will materialize.

Sharp Reduction in the Milling Trade

An interesting situation has arisen in view of the final dividend of the Spillers Milling and Associated Industries not having been declared. According to the *South Wales Journal of Commerce* this has shocked the stock market owing to the prominent position which this firm occupies in the milling trade of the United Kingdom. Their large mills are located in South Wales, and it will be recalled that last year the firm's operations included control of the Vancouver Terminal Grain Company Limited involving the erection of a 2,000,000 bushel elevator. The company's operations in the grain markets alone have been on an enormous scale, and last year Sir W. E. Nicholls stated that "of the profit from the combined businesses made in the financial year ending January, 1925, one-sixth was obtained as flour millers and five-sixth as merchants."

Effect of the Subsidy in the South Wales Mining Industry

South Wales is so largely dependent on the coal mining industry that the keenest interest is shown throughout this area in the working of the Government subsidy. The most noticeable effect has been to reverse the position of South Wales and German coal in competitive overseas markets. During the first half of 1925 the f.o.b. value of German supplies ranged from approximately 25 cents to 35 cents per ton below South Wales prices, but under the operation of the subsidy, by which the colliery owners were relieved of the disabling handicap of high costs of production, the margin gradually turned in favour of the British coal fields, which in December, 1925, were by the same margin of 25 cents to 35 cents per ton f.o.b. less than German coal.

The returns of the Mines Department of the Board of Trade show that in 1925 the coal industry of the entire country suffered a commercial loss of over \$45,000,000, but in consequence of the Government subsidy of some \$60,000,000 that loss was converted into a profit of approximately \$15,000,000.

During 1925 the South Wales coal fields claimed a greater proportion of the total foreign cargo trade of the United Kingdom than any other district in

the country, and also suffered a smaller decrease in its realized price. Costs were, however, relatively higher than in the other coalfields of the country, and it is for this reason that losses suffered in South Wales were greater than in other areas under the subsidy.

At time of writing a deadlock exists between the coal owners and miners over the recommendations of the Coal Commission. It would appear that a temporary subsidy of some form will undoubtedly come into effect on the termination of the present subsidy.

A point of interest to Canadian exporters of foodstuffs to South Wales is the undoubted fact that, despite the trade depression and with thousands on the dole, only the highest quality of butter, cheese and other produce are in demand throughout the mining areas of South Wales.

Trade Conditions in Birmingham Area

The sharp industrial contrasts in the Midlands continue, with the optimistic note more prevailing than at this time last year.

Motor car and motor cycle manufacturers are reporting good trade and the demand for very light cars continues to increase. Popular models up to 12 horse-power are in the greatest demand, and this is not to be wondered at when the tax of approximately \$4.86 per horse-power per annum is considered. The writer wonders what the Canadian owner of a "flivver" would say if he had to pay \$110 per annum for his license plate. Doubtless he would react as his English cousin and go in for the "perambulator" type of car ranging from 7- to 12 horse-power and taxed at from \$35 to \$60 per annum.

The cycle trade, despite substantial trade increases of certain manufacturers, has not developed as expected and it is found that factories which concentrate on motor cycles have not done so well as those where pedal machines constitute a large part of the output.

There appears to have been a reaction in the motor cycle industry, and the small motor car is to some extent pushing the high-grade motor cycle off the road. Another possible explanation is that all motor cycle manufacturers have increased their manufacturing capacity rapidly in the last few years and the market may have reached the saturation point.

REGULATIONS GOVERNING FOOD AND FARM PRODUCTS IMPORTED INTO SCOTLAND AND NORTHERN IRELAND

Scotland

Glasgow, March 26, 1926.—Regulations and orders are issued from time to time governing the import and sale in England and Wales of food and farm products, and these may be thought by producers and exporters in Canada necessarily to apply to Scotland also. Such is not the case. The statutes and orders in regard to the import and sale of foods in England do not apply to Scotland. It may be accepted as a general principle, however, that where there is a separate Scottish Department of State, such department works in close touch with the corresponding department in England, and the result is that while the machinery for issuing orders, which may be in different form in the two countries, and for administering them, is different, there is no difference in the conditions of entry. That is the general principle. But that there are possibilities of exception is proved by the fact that the embargo last year on the import of table potatoes from Canada into England, issued by the Board of Agriculture of England and Wales because of the alleged danger from the Colorado beetle (potato bug), was not put into force by the Scottish Board of Agriculture. The reason

was that it is believed here that the Colorado beetle cannot live in the Scottish climate; and perhaps that is not to be wondered at. Canadian potatoes therefore might have been imported into Scotland, and might still be, notwithstanding the order with reference to England. Presumably it was thought that there was no chance of Canadian potatoes coming into Scotland, because the latter country, even during the general shortage last year, always grows a large surplus for shipment to English markets, and if Canadian potatoes had been brought into Glasgow for use in England, the rail freight would have killed the business.

There are two separate Scottish departments which deal with regulations concerning the import and sale of food and farm products, the Scottish Board of Health and the Scottish Board of Agriculture, the corresponding departments in the other parts of the island being concerned with England and Wales. The Board of Trade, on the other hand, covers the whole of the United Kingdom.

A comparison of the contents of the various orders with those issued for England and Wales may, and in fact do, reveal slight differences in language, but so far as is known, no difference in meaning. To avoid any possibility of error, however, in the case of shipments to Scotland it would be well for Canadian firms to follow the text of the Scottish orders. For this purpose a supply of these has been sent to the Department of Trade and Commerce, Ottawa, and these may be obtained, on loan or otherwise, on application to the Director, Commercial Intelligence Service (quoting file No. 24543-1).

Northern Ireland

Legislation passed in the Imperial Parliament does not necessarily apply to Northern Ireland, and the regulations made by the English Ministry of Health do not apply in any event. The Ministry of Home Affairs of Northern Ireland has not yet made any regulations corresponding to those made by the Scottish Board of Health relating to the use of preservatives in food. Certain regulations and orders of the Government of Northern Ireland, however, may affect Canadian exports to the province. A supply of these orders is on hand at the Department of Trade and Commerce, Ottawa, where copies may be obtained, on loan or otherwise, on application to the Director, Commercial Intelligence Service (quoting file No. 24943-1).

KENYA GOVERNMENT PLAN EXTENSIVE BUILDING PROGRAMME

TRADE COMMISSIONER G. R. STEVENS

Cape Town, March 19, 1926.—Advices have been received here from the Trade Commissioner of the Union of South Africa at Nairobi that an extensive programme of construction is contemplated by the Kenya Government during the next few years and that South African contractors are invited to interest themselves in this development.

The work at present in view is estimated at over £1,000,000 and comprises various public buildings, including Government offices, schools, hospitals, and quarters for Government officials. The work apparently consists of a large number of limited building projects.

The Government of Kenya are anxious to incorporate the necessary construction into a single building programme, and therefore they are open to hear from contractors who would consider work in Kenya over a period of years and who would undertake to design and to advise the Government upon subsequent operations. The Government, however, point out that contractors in other parts of the world should realize that conditions in regard to labour and materials are different in Kenya, and they urge that any who contemplate tendering should

make full preliminary inquiries, and if possible should send a representative to Kenya to obtain firsthand knowledge of local conditions.

Tenders based on bills of quantities will be invited from time to time as may be convenient, but as the commencement of some of the buildings may be a matter of urgency the Kenya Government considers that it will be preferable if contractors can arrange to have the tenders prepared in Kenya by a local representative. It is possible that time will not permit of contract documents and drawings being sent abroad, except perhaps for a few of the larger buildings.

The first tenders will be issued in June of this year, and if any Canadian contractor should be interested in investigating this construction programme immediate application should be made either to this office or to the Colonial Office in London for details of Kenya's requirements.

ECONOMIC AND FINANCIAL CONDITIONS IN BRAZIL

TRADE COMMISSIONER A. S. BLEAKNEY

Rio de Janeiro, March 31, 1926.—The Brazilian trade figures for the calendar year 1925, just issued, fully reflect the expansion of trade foreshadowed in the Canadian and United States figures quoted in the last report from this office, published in *Commercial Intelligence Journal* No. 1156 (March 27). Total imports for the year were 3,431,058 contos of reis against 2,789,558 contos (1 conto = 1,000 milreis) in 1924, representing an increase of roughly 23 per cent. The official sterling values show 85.9 million pounds against 63.3 millions in 1924. The increase by weight was much smaller, 9.4 per cent. The added value appears to be largely due to the increased value of the average ton imported, which rose from 630 milreis in 1924 to 708 milreis in 1925, in spite of a cheaper dollar and pound in the latter year. The official mean value of the dollar in 1925 was \$8314 as against 9\$181 in 1924.

Exports for the year show a much smaller increase: 3.9 per cent in milreis values, with a total of 4,013,896 contos for 1925. The weight of exports rose from 1,834,859 metric tons in 1924 to 1,919,201 tons in 1925.

The monthly movement of imports rose from 244,310 contos in November to 251,180 in December, and exports declined from 333,291 contos in November to 306,872 contos in December of 1925.

The official returns referred to above give no details of importations by commodities, and these will not appear for some considerable time, but returns for the port of Santos, which feeds the important state of São Paulo, show the progress for the different main groups as follows: raw and manufactured cotton improved from 71,824 contos in 1924 to 100,331 in 1925; iron and steel declined from 104,722 to 101,501; industrial machinery showed a big improvement, rising from 26,272 to 42,755; agricultural machinery shared in this improvement to a lesser extent, imports rising from 4,512 to 6,329; other machinery, tools, etc., are well up, moving from 53,825 to 121,706. In chemicals, drugs and pharmaceutical preparations the increase is slight, from 25,517 to 26,711. Skins and hides, tanned and manufactured, improved from 11,043 to 16,589. Other movements of commodities of interest to Canada were those of salted codfish, which remained practically stationary, moving only from 10,316 to 10,360. Wheat flour improved from 51,281 to 63,414, wheat in grain from 77,774 to 96,835. Unspecified goods improved from 52,073 to 87,738. The total imports through this port showed an increase of 32.7 per cent, rising from 969,733 contos in 1924 to 1,268,639 contos in 1925. All the main groups shared in this general increase except iron and steel, where, as indicated above, the decline was very small.

EXCHANGE AND BANKING

During the month of March the dollar has slightly improved. From the 4th to the 10th the mean sight drawing rate on New York was 6\$873, from the

11th to the 17th 6\$928, and from the 18th to the 24th 6\$989. An important financial journal ascribes the weakness in the milreis during the past week to the moral effect of the recent events at Geneva, and the scarcity of bills owing to a decline in coffee business together with easier money. The policy of the Bank of Brazil with regard to the proceeds of loans in London and now in New York is obscure. However, in spite of the present apparent weakness of the exchange market, the undertone is fairly strong. The loan for the San Paulo waterworks has been successfully floated, \$7,500,000 having been issued in New York and £2,500,000 in London. The greater part of this loan will remain abroad for the purchase of material.

The balance sheet of the Bank of Brazil for the year closing December 31, 1925, gives some interesting information. The values of bills discounted fell by 29 per cent as compared with 1924. Loans amounted to 258,954 contos against 269,358 contos in 1924. Cash in hand increased by 44 per cent, while on the other hand deposits fell off by 19.5 per cent. The total value of the bank's notes in circulation has been reduced by 18.4 per cent on December 3, 1925, as compared with the same date in 1924. The gold held by the bank at the end of 1925 shows a reduction of £500,080 as compared to the close of 1924. A dividend of 20 per cent was paid.

Paper money in circulation in Brazil on December 31, 1925, was 2,706,977 contos of reis. On the same date in 1924 it was 2,975,966. During the year 1925 nearly 9 per cent of paper money was withdrawn from circulation.

MARKET FOR SARDINES IN BRAZIL

TRADE COMMISSIONER A. S. BLEAKNEY

Rio de Janeiro, March 29, 1926.—While no separate figures are published in Brazil for imports of sardines, there is undoubtedly an important market for this product in this republic. With a population estimated at 33,000,000 and the local fishing industry unable to supply the needs of the people, the market for preserved fish is substantial. Imports of all kinds of preserved fish for the years 1921 to 1924 were as follows: 1921, 3,112,145 milreis; 1922, 3,163,565 milreis; 1923, 4,813,660 milreis; and 1924, 9,287,418. There is reason to believe that 1925 will show a continuation of this expansion.

There is little doubt that imports of sardines have shared in these increased sales, as even a casual survey of fish warehouses in Rio de Janeiro shows large stocks of sardines in tins. Probably most of the importation is from Portugal, where the combination of a suitable fish and olive oil renders the industry a natural one and the racial and language affiliations of that country with Brazil facilitates business. Next in order of importance is the French sardine, which follows the Portuguese closely in popularity. Norwegian brisling packed in tomato and olive oil also enjoys a ready sale, although not so much appreciated as the Portuguese and French sardine. A considerable quantity of Canadian sardines was shipped to Brazil during the war and found a good sale up to the time of the post-war commercial crisis from 1920 to 1923, since which time they have not been on the market. There is still evidence of a certain prejudice against these sardines, not on account of the fish themselves but owing to the unfortunate fact that many of the tins rusted on the inside and others, probably owing to rough handling, showed signs of leakage. It is believed here that this article would find a ready sale if proper attention was paid to the careful sealing of tins and the fish packed in olive oil and tomato. The sizes as supplied, $\frac{1}{4}$'s and $\frac{1}{8}$'s, are in good demand.

In a general way the best-quality sardines are for consumption in Rio de Janeiro, São Paulo, and the larger maritime cities, while the poorer qualities are for the markets in the interior. There is therefore a demand for all qualities

which will stand up in the climate. For the Rio market the tins with tomato dressing are usually packed in one case and those with the olive oil dressing in another; and for the interior, half tomato and half olive oil. Olive oil dressing is preferred, but there is always a certain sale in Rio for fish packed in tomato only.

Sizes range from $\frac{1}{8}$'s to large 15-ounce tins for hotel and restaurant use, the most popular sizes being those mentioned above. Most tins are attractively enamelled in a dark brick red, olive green, or mustard yellow; but some are put up in the natural tin with a small gold label soldered on the side. One Norwegian and one Portuguese brand is wrapped in paper, but this method has nothing to recommend it. All the samples seen were well sealed and showed no signs of leakage. Some 95 per cent were packed in olive oil or tomato, but a few tins were prepared in pimenta or lemon. Practically all tins were fitted with keys for opening.

Manufacturers would do well to take steps to have their trade marks registered. The majority sell under their own marks, some firms merely using their own firm name. The regulations regarding the entry of fish canned or otherwise are the same as those governing all food products. The importer submits a new brand to the Department of Agriculture. The samples having been passed, all future shipments of the product are admitted without further examination, except that the customs official may examine each consignment for condition by opening a tin. The actual duty on sardines works out at present at about 11 cents per pound, excluding certain very small taxes, but in practice an actual shipment recently worked out at \$150 for 504 kilos, the kilo. being 2.2 pounds. The business is usually done on a commission of 5 per cent and payment is 120 d/d draft, documents against acceptance.

Lists of importers, samples, and recent competitive prices are on file, as well as a schedule giving names of manufacturers of the popular brands, sizes, labeling, and method of opening, and may be had on application to the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa.

IS ARTIFICIAL SILK A SUBSTITUTE?

A report drawn up by the United States House Committee on Interstate and Foreign Commerce and quoted by the New York *Textile World* makes the somewhat surprising assertion that "rayon, a new fibre which has been developed and come into its own within the past two years, might replace every pound of silk if it were absolutely necessary," and further refers to artificial silk as "a substitute" for real silk, says the *Manchester Guardian Commercial*. In view of the fact that the majority of textile as well as the leading artificial silk interests have again and again stressed the complementary rather than the competitive position of artificial silk, the attitude of the committee is, to say the least, unexpected, particularly since the consumption of real silk in the United States does not appear to have suffered in the least from the growing use of artificial silk. As the *Textile World* remarks, the fact of the discontinuance of the term "artificial silk" in the United States bears testimony in this connection. It is somewhat strange that the very country which has insisted strongly upon discarding the term "artificial silk" on the grounds of inadequate description should be the one to put forward the plea that it is a substitute for real silk.

SPRAYING OF APPLES IN WEST AUSTRALIA

The Agent-General for Western Australia has received from the Premier of Western Australia a cablegram to the effect that at least 90 per cent of the apples in Western Australia are unsprayed. Samples of those most heavily sprayed have been obtained and tested by the Government analyst, the results showing that, even in the small area sprayed, the amount of arsenic is negligible, ranging from an unmeasurable trace to $\frac{1}{800}$ th part of a grain per pound.

MARKET FOR DRUGS AND DRUGGISTS' SUNDRIES IN MEXICO

TRADE COMMISSIONER C. NOEL WILDE

Mexico City, March 23, 1926.—In common with most other Latin-American countries, Mexico offers a favourable market for practically all kinds of proprietary medicines, pharmaceutical preparations, toilet necessities, and the whole of the large variety of products which are usually handled by retail drug stores and known as "druggists' sundries."

In general, it may be said that, throughout the country, drug stores are of a modern character, and maintain stocks of the widest possible range consistent with local demand; representatives of manufacturers are active and efficient, and promote the sale of their products by all possible means such as advertising, personal calls, and other kinds of propaganda. Medical practice is well advanced; the great majority of the doctors are highly qualified and insist upon their prescriptions being filled with the purest and best materials. In addition, all drug stores are subject to Government supervision, and are compelled to appoint a representative (usually a qualified medical man) who is responsible for the quality of all goods sold and the general good conduct of the establishment; the name of this representative must be displayed in a prominent place on the store front, where it can be seen by all customers.

Thus the general organization of the drug and allied trades is exceptionally complete, and the facilities for obtaining supplies on the part of the public may be considered at least equal to those existing in Canada; in fact, they are probably better, as the number of drug stores appears to be greater in Mexico in proportion to the population than the average of other countries.

It is impossible to specify by name the thousands of preparations which are in wide demand in Mexico, and only the briefest possible reference can be made to these. There are, however, a number of points which require special attention on the part of manufacturers desiring to enter the Mexican market, and this report is intended to deal with such of these points as must be taken into consideration in any preliminary investigation of the possibilities of business.

NATURE OF DEMAND

As indicated above, a demand can be created, provided suitable methods are adopted, for practically all medicines, toilet requisites and druggists' sundries which are on sale in other countries. In the line of proprietary medicines, probably the largest demand is for stomach remedies and tonics, in the form of powders, liquids or pills, but principally the latter. Remedies for headache and neuralgia are widely used, and cough syrups or pastilles also have an extensive sale. Malaria pills are in great demand, especially in the hot country and on the sea coast, where a mild form of malarial fever is almost universal. Anti-rheumatic pills also enjoy a large sale, and there is an extensive market for remedies for nervous debility and exhaustion.

These remedies are usually classed as "patent" or proprietary medicines, but in addition there is an equally wide demand for all kinds of drugs as listed in the official pharmacopœias, which are required for the purposes of medical prescriptions. These are invariably obtained from foreign manufacturers of the highest reputation, and are expected to be of the purest possible character.

With regard to toilet requisites, such as soaps, creams, and powders, practically all standard preparations are on sale, and enjoy a vogue at least equal to that which they have secured in other countries.

LOCAL INDUSTRY

There is an extensive local industry devoted to the manufacture of the products which form the subject of this report; the ramifications of this industry are

practically unknown to the general public, and in fact are purposely concealed as far as possible. The matter, however, is one that requires the careful attention of any foreign exporter who desires to enter the Mexican market, as it may frequently happen that the only method of competing with established products will be to have at least a portion of the manufacturing process performed in Mexico City.

This local industry is a direct consequence of the tariff imposed upon the particular product which it is desired to market. The tariff upon patent medicines and pharmaceutical preparations is usually one peso per kilo ($22\frac{3}{4}$ cents per pound), the weight being based upon the weight of the product itself plus the weight of the immediate container, which is usually a glass bottle. Empty glass bottles, however, pay a much lower duty if imported separately, and thus it becomes economical to import the product in bulk, the work of bottling and labelling being performed by the representative of the manufacturer in Mexico.

As an example of the saving in cost obtainable by this method, an importer of a well-known cough mixture states that he recently imported a consignment of empty bottles weighing approximately a ton, the total duty payable being some sixty pesos (\$30 Canadian currency). If these had been imported filled and labelled, the duty upon the weight of bottles alone would have been in excess of one thousand pesos (\$500 Canadian currency)—a clear saving of \$470 on one small shipment.

A further extension of the same principle arises when the preparation which it is desired to market is compounded of two or more simple primary materials, the duty upon any one of which is much lower than that upon the manufactured product; in this case the raw materials are shipped to Mexico separately, and combined by the agent or a firm of manufacturers appointed for the purpose. As an example of the advantages of this method, talcum powders are usually manufactured locally, the rate of duty upon the finished product being 5 pesos per kilo as compared with 5 centavos per kilo upon the raw material. Many well-known tooth pastes are also compounded locally from imported raw materials, for the same reason.

It will be understood that the actual containers and labels are in all cases supplied by the foreign manufacturer, so that the final product is exactly the same in appearance as though it were imported in the finished state. It has been found impracticable as a general rule to use bottles and other containers of local manufacture; these, although cheap in price and of fairly good quality, usually differ in appearance from the imported article to a sufficient extent to suggest their origin, and for this reason are unacceptable to the retail trade.

Thus the advisability of manufacturing medicines and druggists' sundries in Mexico, either in whole or in part, will in all cases require consideration by foreign manufacturers before attempting to enter the market, and the rates of duty will be found to be the controlling factor in this connection.

It should be mentioned that these remarks do not apply to special preparations which are required of the highest degree of purity and which have to be shipped from the factory under seal. In particular, the method does not apply to biological preparations, sera, vaccines and bacterines, which are imported in syringes, ampoules or vials.

LABELLING

The question of labelling is of primary importance in the Mexican market; an attractive and suitable label acts as an additional stimulus to sales, although it will not of itself create a demand; on the other hand, an unattractive or unsuitable label will frequently destroy any prospect of sales, no matter what other means of propaganda may be adopted.

It is difficult to lay down any particular rule as to what constitutes a label which will be found attractive to the local consumer. As a rough guide, however, it may be mentioned that it must clearly suggest a foreign origin, the name of the manufacturer appearing in prominent type. The instructions for use, however, must be in Spanish, and any accompanying pamphlet (as is usual with patent medicines) should also be in Spanish; nothing should appear which would indicate that any part of the manufacture has been conducted in Mexico.

A common method of marking bottles is for the principal label to be in English (or other foreign language), showing the name of the preparation, the trade mark and the name and address of manufacturer; this label is usually of the manufacturers' standard design. On the opposite side of the bottle is a supplementary label giving instructions for use in Spanish. In the case of metal containers, wooden or cardboard boxes, etc., the instructions for use are frequently printed on the bottom.

There are no regulations in Mexico which compel the publication of formulæ of patent medicines or other pharmaceutical preparations. At the same time this is the usual practice, and in fact a number of high-class manufacturers insist upon complete publicity, detailed formulæ being given on all labels. Thus a preference has grown up for those preparations which provide this information, and as this forms an additional means of propaganda, the practice is recommended.

If it is desired to enter the Mexican market on a wide scale, all labels and trade marks should be registered; full details of the necessary routine are contained in a pamphlet entitled "Registration of Trade Marks and Labels in Mexico," copies of which may be obtained on application to the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa.

PROPAGANDA

Propaganda must be considered absolutely essential to the introduction into Mexico of the class of product dealt with in this report. This does not necessarily mean newspaper and magazine advertising, although these are valuable in the cases of proprietary medicines, toilet requisites, and other preparations in common use. (A report upon "Advertising in Mexico" appeared in the *Commercial Intelligence Journal* No. 1068; July 19, 1924.)

In the case of special products such as sera, vaccines, and other preparations used by doctors, it is customary for agents to keep in close touch with the medical profession and hospitals by means of circulars, letters, personal interviews, and occasionally by the submission of samples for testing purposes. This method, of course, is only feasible in the case of drugs, etc., of the highest possible quality, as doctors generally have no interest in questions of price and would make a practice of using or recommending only the best.

Other methods of propaganda may be adopted in accordance with the purpose for which the preparation is used. The distribution of free samples from house to house has been adopted in the case of liniments for bruises, and street distribution of handbills is also practised—these two methods, however, have an element of cheapness about them which recommends them to a limited class only. Small circulars are frequently available on the counters of drug stores, advertising some product of which a specialty is being made.

A well-known infants' food is widely advertised by mailing circulars to families where such a preparation is likely to be required, and these circulars are followed up by free samples of the preparation itself; this method has been found to be very effective, and has created a wide demand in the course of a comparatively short time.

As a general rule, it may be expected that any agent will require an appropriation to be made for propaganda purposes, and it will usually be found that such an investment will pay ample returns in increased sales. The actual

method to be adopted can usually be safely left in the hands of the agent himself, as he is likely to be familiar with local conditions, and will naturally wish the money to be expended to the best advantage.

METHOD OF REPRESENTATION

It is difficult to suggest the best means of representation, as this depends upon the nature of the product, the source of the demand, and particularly upon the extent to which it is intended to manufacture locally. The following, however, represent the principal methods which have been found successful in practice:—

The foreign manufacturer of drugs, pharmaceutical preparations, etc., who does the largest business in Mexico is represented by an agent who is paid a fixed minimum monthly sum for his services, together with commissions on all sales in excess of a certain monthly value. Large stocks are maintained by this agent in local warehouses (these stocks being held on consignment), and a manufacturing plant is also operated for the purpose of compounding and bottling such preparations as are found adapted to this method. This agent does not devote himself exclusively to the interests of one manufacturer, but represents any other line of goods of a non-competitive character. He is responsible for all sales, and the collection of accounts due, and has an organization of travellers covering the entire Republic. Thus his principals have a very complete organization at a small cost, and probably do 75 per cent of the Mexican business in the special line in which they are interested.

Another manufacturer of standard products maintains no local representatives, but sends travellers to Mexico at frequent intervals, who call upon practically all drug stores and see that full supplies are maintained.

Other foreign manufacturers, who make articles in wide demand, have placed their interests in the hands of a firm of manufacturing chemists which also maintains a retail store. This firm is supplied with the raw materials, containers, and labels, and compounds the product in question in its own laboratories, selling both through its own store and to other retailers. Tooth paste, talcum powders, cough mixtures, and cosmetics are typical examples of goods which can be handled profitably by this means.

Still other methods of representation are by means of agents who maintain small stocks for immediate delivery, but generally sell for shipment from the factory. In such cases, stocks are usually held on consignment.

On the whole, the best method of representation is the first-mentioned, and a Canadian firm would be well advised to adopt it if a suitable agent can be secured. The only difficulty which is likely to be encountered will arise from the fact that such an agent is usually in a position to dictate his own terms, and will insist upon an adequate reward for his services; this, however, usually works out to the benefit of his principals, in spite of the heavy preliminary investment represented by consignment stocks.

METHOD OF SHIPMENT

The method of shipment of pharmaceutical preparations, etc., is a point which also requires careful attention. In the case of ordinary products which are shipped in bulk, shipment by all-rail or steamer freight is found to be quite suitable. There are numerous cases, however, where the Mexican tariff and consular regulations make it desirable to ship by parcel post, and this method is frequently adopted at a great saving in expense. The particular point to which attention is drawn is that shipments by freight require a consular invoice, the fee for which is 5 per cent of the value of the consignment; on the other hand, shipments by parcel post require no consular invoice, and thus the 5

per cent is saved. But a surcharge of 25 per cent of the duty is made on parcel post shipments to compensate for this loss; it therefore becomes necessary to ascertain whether the freight plus the 5 per cent consular fee is greater or less than the postal fee plus 25 per cent of the duty. This matter was dealt with in detail in the *Commercial Intelligence Journal* No. 1102 (March 14, 1925). Certain medical preparations such as vaccines, biological preparations, and others, are not subject to duty, and these are invariably shipped by parcel post. Drugs which have a high value in proportion to the duty are also shipped by this means.

PACKING

Careful protection of goods is essential, more especially when liquids are packed in bottles; complaint is often made that American and Canadian methods are defective in this respect; in particular, empty bottles frequently arrive with a large percentage of breakages.

If it is borne in mind, however, that facilities for handling at Mexican ports are in some cases of a primitive nature, and packages are liable to receive exceptionally severe treatment at the hands of inexperienced stevedores, this fact will of itself suggest the nature of the precautions to be taken on the part of shippers, and no special regulations need be laid down.

TERMS OF PAYMENT

As a rule, 90 to 120 days' credit is granted to retail drug stores in Mexico by foreign firms, when shipment is made direct from the factory. In cases where goods are shipped from local agents' stocks, 30 to 60 days is allowed, depending upon the standing of the customer. A small amount of business is done direct with members of the medical profession, and in such cases credit terms depend upon local arrangements.

Taken as a whole, Mexican druggists are usually of good commercial standing—and there are many old-established houses whose credit is beyond question; some of them insist upon paying cash with all orders, taking advantage of all discounts, and frequently obtaining concessions in price in exchange for ready money.

At the same time, suitable inquiries should be made with regard to new accounts, and financial reports may be obtained through the usual commercial rating houses, or those Canadian banks which have branches in Mexico City.

PROHIBITED IMPORTS

The only restrictions on imports are in connection with preparations containing narcotics, more especially those containing or consisting of crude opium, powdered opium, extract of opium; morphine, its salts and derivatives, with the exception of codeine and dionine; cocaine, its salts and derivatives; coca leaves, coca extract and poppies. In these cases import is permitted only under license from the Mexican Department of Public Health, and only through the custom houses of Nogales, Laredo, Veracruz, Progreso, La Paz, or Mazatlan.

Details of the regulations governing such imports were published in *Commercial Intelligence Journal* No. 1104 (March 28, 1925), to which interested exporters are referred for further particulars.

STATISTICS OF IMPORTS

On account of the manner in which the official statistics are prepared, it is somewhat difficult to obtain a clear idea of the value of the imports into Mexico of the products dealt with in this report. The total value for the year 1924, however, was in excess of \$3,000,000 (Canadian currency), and probably reached

\$3,500,000. This compares with a value of about \$2,000,000 in 1919, and upwards of \$1,000,000 in 1911. It will be observed therefore that the demand is rapidly on the increase, and this increase is likely to continue in the future as the purchasing power of the people improves and the benefits of modern medical practice become more widely available.

With regard to the countries of origin, the United States supplies some 50 per cent of the total; as manufacturers in that country are extremely active and do not hesitate to make large appropriations for propaganda purposes, and as they have made a special study of the Mexican market, it appears likely that this percentage will increase. France supplies some 30 per cent, and her products are usually regarded as being of the highest possible class; it is reported, however, that a portion of the supplies credited to France really originate in other countries. Germany is stated to supply 15 per cent of the imports, and Great Britain is credited with 2½ per cent; the latter country has recently been making efforts to extend its business with Mexico, and has met with a fair degree of success, although she has not yet adopted the methods of local manufacture outlined above. At the same time, there is every prospect of the imports of Great Britain increasing in the future. Canada does not appear in the statistics, although certain preparations which are said to originate in Canada are obtainable in the local drug stores, and have a fair sale.

CUSTOMS TARIFF

The majority of medicinal drugs, pharmaceutical preparations and chemical products, are dutiable at the rate of one peso per kilo (equal to 22½ cents per pound), the weight being based upon that of the product itself plus the weight of the immediate container (bottle, carton, tin, etc.), but excluding the weight of the outer packing case. There are, however, numerous exceptions of which the following are the most important:—

	Equal to, Per Pound, Canadian Cy.
Bacteriological cultures, vaccine and sera for hypodermic injections.. . . .	Free.
Veterinary preparations, 5 centavos per kilo.. . . .	1.14 cents
Vegetable products for medical use, such as bark, flowers, leaves, roots, seeds, etc., 10 centavos per kilo.. . . .	2.27 cents
Ditto, if powdered, shredded or compressed, 20 centavos per kilo.. . . .	4.54 cents
Absorbent and antiseptic cotton and gauge, silk ligatures, catgut, etc., 30 centavos per kilo.. . . .	6.80 cents
Medicinal soaps, 3 pesos per kilo.. . . .	.68 cents
Vials containing solutions for hypodermic injections of organic or mineral origin, 5 pesos per kilo.. . . .	\$1.13
Perfumery, and toilet requisites containing perfume, 5 pesos per kilo.. . . .	\$1.13
Opium and extracts thereof, 10 pesos per kilo.. . . .	\$2.27
Cocaine, heroin and morphine, their salts and derivatives, 25 pesos per kilo.. . . .	\$5.67

Of the preparations classified for duty at the standard rate of one peso per kilo, the following are worthy of mention as being of possible interest to Canadian exporters:—

Acetanilid.	Diastase.	Oils, medicinal.
Alkaloids, medicinal.	Effervescent salts.	Painkiller.
Antiphlogistin.	Elixirs.	Pastilles, medical.
Aspirin.	Embrocations.	Pepsin.
Atropine.	Emulsions, medicinal.	Phenacetin.
Balsams.	Eucalyptus oil.	Pills.
Biscuits, medicinal.	Fruit salts.	Plasters.
Bulgarian culture.	Iodoform.	Powders, medicinal.
Caffein (and salts).	Hair dyes.	Pomades.
Capsules, medicinal.	Hair washes.	Quinine.
Castor oil.	Homoeopathic preparations.	Resorcin.
Caustic pensils.	Lanoline.	Sarsaparilla.
Chloral.	Liquorice.	Seidlitz powder.
Chloroform.	Liquors, medicinal.	Syrups, medicinal.
Cod liver oil.	Lotions.	Tabloid medicines.
Corn cure.	Magnesia.	Vaseline.
Corn plasters.	Malt extract.	Wines, medicinal.
Dental preparations.	Maltine.	Waters, medicinal.
Depilatories.	Menthol.	

In addition to the tariff mentioned above, there is a surcharge of 12 per cent upon the duties in all cases, this surcharge being devoted to Federal (10 per cent) and Municipal (2 per cent) purposes. The charge for certification of consular invoices is 5 per cent ad valorem, but as already mentioned this charge is waived when shipment is made by parcels post.

There are no preferences in the Mexican tariff, the same duties being chargeable on goods from all countries.

COMMERCIAL CONDITIONS IN MEXICO

TRADE COMMISSIONER C. NOEL WILDE

Mexico City, March 31, 1926.—A new Government bank, known as the "Banco Nacional de Crédito Agrícola" (National Bank of Agricultural Credit), was opened in Mexico City during the month of March. Its object is to rehabilitate the farming industry of the country, which has suffered severely of recent years on account of the fact that small owners were without sufficient means to purchase tools or to finance the crops. Its method of operation will be to finance local credit societies, which in turn will make loans as may be required, more especially to the native farmers who have received lands under the redistribution scheme of the Agrarian Law. The capital of the bank is 50,000,000 pesos (\$25,000,000 Canadian currency), part of which is to be subscribed by the States which will be benefited by the loans.

As a further means towards the increase of agricultural production, investigations are being made as to the feasibility of constructing large irrigation works, and a corps of engineers are at present engaged in making the necessary surveys and estimates. Six schemes are at present under consideration, situated respectively in the States of Durango, Sonora, Tamaulipas, Baja California, and Michoacán, and on the international border. The estimated cost is 40,000,000 pesos (\$20,000,000 Canadian currency), and it is expected that the work will be completed in three years.

Collections during the past month have been slow, and loans difficult to obtain. Retail sales are also below normal, and manufacturers of textiles report that orders have fallen off considerably during the past few months; the majority of the mills, however, are endeavouring to provide employment for their workmen by manufacturing for stock, in the hope of an increased demand in the near future. Sales of automobiles and accessories have fallen off owing to a dispute between the agents and their salesmen, a number of establishments in Mexico City having temporarily closed their premises until the matter is adjusted.

In general, the tendency is still to await a settlement of the labour, petroleum and land laws before making purchases on a large scale; a slightly more optimistic feeling exists in regard to the adjustment of the points in dispute, it being hoped that a compromise will be reached which will be satisfactory to all parties.

MOTOR CARS IN CEYLON

H.M. Trade Commissioner at Calcutta reports that according to a statement just compiled by the Director of Statistics, Ceylon, there are no less than 201 different makes of motor vehicles in Ceylon, while the total reaches 10,240. Of this latter number 5,720 are cars, 2,261 cycles, 1,268 buses, 937 lorries, vans, etc., and 54 miscellaneous motor vehicles. The motor car can no longer be regarded as a luxury in Ceylon. The statistics, which show that there is now one motor vehicle to every 459 persons, indicate that the motor car has now to be regarded as a necessity.

DOMINION OF CANADA TARIFF CHANGES, 1926-27

The following are the provisions of the Budget Resolutions affecting the Customs Tariff, introduced into Parliament April 15, 1926, and held to be in effect on and after the dates hereinafter mentioned:—

1. Resolved, That the Customs Tariff, 1907, be amended by repealing subsection one of section three and substituting therefor the following:

(1) The rates of customs duties, if any, set forth in Column 1, "*British Preferential Tariff*," shall apply to goods the produce or manufacture of the following British countries when conveyed without transshipment from a port of any British country enjoying the benefits of the British Preferential Tariff into a sea or river port of Canada:

- (a) the United Kingdom;
- (b) the British colony of Bermuda;
- (c) the British colonies commonly called the British West Indies, including the following,—
 - the Bahamas;
 - Jamaica;
 - Turks and Caicos Islands;
 - the Leeward Islands (Antigua, St. Christopher-Nevis, Dominica, Montserrat, and the Virgin Islands);
 - the Windward Islands (Grenada, St. Vincent and St. Lucia);
 - Barbados;
 - Trinidad and Tobago;
- (d) British Guiana;
- (e) British India;
- (f) Ceylon;
- (g) Straits Settlements;
- (h) New Zealand;
- (i) Union of South Africa;
- (j) Southern Rhodesia;
- (k) any other British colony or possession admitted to the benefits of the British Preferential Tariff in Canada, in the manner hereinafter provided;

Provided, however, that goods entitled to the benefits of the British Preferential Tariff shall be accorded such benefits when such goods are shipped on a through bill of lading consigned to a consignee in a specified port in Canada when such goods are transferred at a port of a British colony or possession not enjoying the benefits of the British Preferential Tariff, and conveyed without further transshipment into a sea or river port of Canada.

2. Resolved, That Schedule A to The Customs Tariff, 1907, as amended by chapter fifteen of the Statutes of 1913, chapter forty-seven of the Statutes of 1919, chapter twenty-seven of the Statutes of 1921, chapter nineteen of

the Statutes of 1922, chapter forty-two of the Statutes of 1923 and chapter thirty-eight of the Statutes of 1924, be further amended by striking thereout tariff items: 7, 20a, 22, 23, 28, 30, 32, 39b, 77a, 90, 134, 135, 438, 448, 590a, 680a, the several enumerations of goods respectively, and the several rates of duties of customs, if any, set opposite each of said items, and to provide that the following items, enumerations and rates of duty be inserted in Schedule A:—

Tariff Items	—	British Preferential Tariff	Inter-mediate Tariff	General Tariff
7	Meats, fresh, n.o.p., per pound.....	2 cts.	2½ cts.	3½ cts.
20a	Butter produced from the cocoa bean, per pound....	Free	2 cts.	2 cts.
22	Preparations of cocoa or chocolate in powder form..	22½ p.c.	27½ p.c.	35 p.c.
	or per pound	2 cts.	2½ cts.	3 cts.
	whichever rate returns the higher duty.			
23	Preparations of cocoa or chocolate, n.o.p., and confectionery, coated with or containing chocolate, the weight of the wrappings and cartons to be included in the weight for duty, per pound.....	2½ cts.	2½ cts.	2½ cts.
	and	20 p.c.	27½ p.c.	35 p.c.
28	Coffee, green, imported direct from the country of growth and production, and green coffee purchased in bond in the United Kingdom, per pound.....	Free	3 cts.	3 cts.
30	Ginger and spices, unground, n.o.p.....	Free	12½ p.c.	12½ p.c.
32	Nutmegs and mace, whole or unground.....	Free	17½ p.c.	20 p.c.
39b	Arrowroot, per pound.....	Free	1½ cts.	1½ cts.
42a	Table salt made by an admixture of other ingredients, when containing not less than ninety per cent of pure salt.....	5 p.c.	10 p.c.	15 p.c.
72b	Tree seeds for re-forestation purposes only.....	Free	Free	Free
77a	Cocoa beans, not roasted, crushed or ground, per one hundred pounds.....	Free	\$1.50	\$2.00
90	Fruits, viz.:—Plantains, pineapples, pomegranates, guavas, mangoes, wild blueberries, wild strawberries and wild raspberries.....	Free	Free	Free
90b	Bananas.....	Free	Free	Free
	The Governor in Council may by Order in Council direct that there be substituted for tariff item 90b in Schedule A of The Customs Tariff, 1907, the enumerations of goods and the rates of duties of customs, if any, set opposite items 90c and 90d in Schedule A the following:—			
90c	Bananas, when imported from the place of growth by ship, direct to a Canadian port, per stem or bunch.....	Free	50 cts.	50 cts.
90d	Bananas, n.o.p., per stem or bunch.....	50 cts.	50 cts.	50 cts.
	From and after the publication of such Order in Council in the Canada Gazette, tariff item 90b as it appears in said schedule at the time of the passing of the Act founded on this Resolution shall be repealed and the provisions of tariff items 90c and 90d shall be substituted therefor.			
105a	Pineapples in air-tight cans or other air-tight packages, n.o.p., the weight of cans or other packages to be included in the weight for duty, per pound..	½ ct.	2½ cts.	2½ cts.
134	All sugar above number sixteen Dutch standard in colour, and all refined sugars of whatever kinds, grades or standards, not covered by tariff item No. 135, and sugar syrups testing over fifty-six degrees of polarization, when not exceeding eighty-eight degrees of polarization, per one hundred pounds.....	83 cts.	\$1.50	\$1.50
	When exceeding eighty-eight degrees but not exceeding eighty-nine degrees, per one hundred pounds.....	85 cts.	\$1.53	\$1.53

Tariff Items	British Preferential Tariff	Intermediate Tariff	General Tariff
When exceeding eighty-nine degrees but not exceeding ninety degrees, per one hundred pounds.....	87 cts.	\$1.55	\$1.55
When exceeding ninety degrees but not exceeding ninety-one degrees, per one hundred pounds.....	89 cts.	\$1.58	\$1.58
When exceeding ninety-one degrees but not exceeding ninety-two degrees, per one hundred pounds..	91 cts.	\$1.62	\$1.62
When exceeding ninety-two degrees but not exceeding ninety-three degrees, per one hundred pounds	93 cts.	\$1.65	\$1.65
When exceeding ninety-three degrees but not exceeding ninety-four degrees, per one hundred pounds..	95 cts.	\$1.68	\$1.68
When exceeding ninety-four degrees but not exceeding ninety-five degrees, per one hundred pounds..	97 cts.	\$1.70	\$1.70
When exceeding ninety-five degrees but not exceeding ninety-six degrees, per one hundred pounds..	99 cts.	\$1.74	\$1.74
When exceeding ninety-six degrees but not exceeding ninety-seven degrees, per one hundred pounds.....	\$1.01	\$1.77	\$1.77
When exceeding ninety-seven degrees but not exceeding ninety-eight degrees, per one hundred pounds..	\$1.03	\$1.80	\$1.80
When exceeding ninety-eight degrees but not exceeding ninety-nine degrees, per one hundred pounds..	\$1.09	\$1.89	\$1.89
When exceeding ninety-nine degrees, per one hundred pounds.....	\$1.09	\$1.89	\$1.89
Provided that refined sugar shall be entitled to entry under the British Preferential Tariff upon evidence satisfactory to the Minister of Customs and Excise, that such refined sugar has been manufactured wholly from raw sugar produced in the British colonies and possessions, and not otherwise.			
Provided further that sugar imported under this item shall not be subject to special duty in excess of three-fourths of one cent per pound			
135 Sugar above number sixteen Dutch standard in colour when imported or purchased in bond in Canada by a recognized sugar refiner, for refining purposes only, under regulations by the Minister of Customs and Excise; and sugar, n.o.p., not above number sixteen Dutch standard in colour, sugar drainings or pumpings drained in transit, melado or concentrated melado, tank bottoms, sugar concrete, and molasses testing over fifty-six degrees and not exceeding seventy-six degrees, when not exceeding seventy-six degrees of polarization, per one hundred pounds.....	20-627 cts.	70-851 cts.	70-851 cts.
When exceeding seventy-six degrees but not exceeding seventy-seven degrees, per one hundred pounds	20-647 cts.	73-213 cts.	73-213 cts.
When exceeding seventy-seven degrees but not exceeding seventy-eight degrees, per one hundred pounds.....	20-667 cts.	75-574 cts.	75-574 cts.
When exceeding seventy-eight degrees but not exceeding seventy-nine degrees, per one hundred pounds.....	20-687 cts.	77-936 cts.	77-936 cts.
When exceeding seventy-nine degrees but not exceeding eighty degrees, per one hundred pounds.....	20-707 cts.	80-298 cts.	80-298 cts.
When exceeding eighty degrees but not exceeding eighty-one degrees, per one hundred pounds.....	20-727 cts.	82-659 cts.	82-659 cts.
When exceeding eighty-one degrees but not exceeding eighty-two degrees, per one hundred pounds..	20-747 cts.	85-021 cts.	85-021 cts.
When exceeding eighty-two degrees but not exceeding eighty-three degrees, per one hundred pounds	20-767 cts.	87-383 cts.	87-383 cts.
When exceeding eighty-three degrees but not exceeding eighty-four degrees, per one hundred pounds..	20-857 cts.	90-040 cts.	90-040 cts.
When exceeding eighty-four degrees but not exceeding eighty-five degrees, per one hundred pounds..	20-947 cts.	92-697 cts.	92-697 cts.
When exceeding eighty-five degrees but not exceeding eighty-six degrees, per one hundred pounds..	21-036 cts.	95-353 cts.	95-353 cts.
When exceeding eighty-six degrees but not exceeding eighty-seven degrees, per one hundred pounds....	21-126 cts.	98-010 cts.	98-010 cts.

Tariff Items	British Preferential Tariff	Intermediate Tariff	General Tariff
When exceeding eighty-seven degrees but not exceeding eighty-eight degrees, per one hundred pounds.	21.512 cts.	\$1.00963	\$1.00963
When exceeding eighty-eight degrees but not exceeding eighty-nine degrees, per one hundred pounds.	21.897 cts.	\$1.03915	\$1.03915
When exceeding eighty-nine degrees but not exceeding ninety degrees, per one hundred pounds.	22.872 cts.	\$1.07457	\$1.07457
When exceeding ninety degrees but not exceeding ninety-one degrees, per one hundred pounds.	23.848 cts.	\$1.11000	\$1.11000
When exceeding ninety-one degrees but not exceeding ninety-two degrees, per one hundred pounds.	24.823 cts.	\$1.14542	\$1.14542
When exceeding ninety-two degrees but not exceeding ninety-three degrees, per one hundred pounds.	25.799 cts.	\$1.18085	\$1.18085
When exceeding ninety-three degrees but not exceeding ninety-four degrees, per one hundred pounds.	26.762 cts.	\$1.21627	\$1.21627
When exceeding ninety-four degrees but not exceeding ninety-five degrees, per one hundred pounds.	27.737 cts.	\$1.25170	\$1.25170
When exceeding ninety-five degrees but not exceeding ninety-six degrees, per one hundred pounds.	28.712 cts.	\$1.28712	\$1.28712
When exceeding ninety-six degrees but not exceeding ninety-seven degrees, per one hundred pounds.	29.688 cts.	\$1.32255	\$1.32255
When exceeding ninety-seven degrees but not exceeding ninety-eight degrees, per one hundred pounds.	30.664 cts.	\$1.35798	\$1.35798
Over ninety-eight degrees, per one hundred pounds.	35.606 cts.	\$1.47606	\$1.47606
Provided that sugar imported under this item shall not be subject to special duty.			
156b Angostura bitters, the produce or manufacture of any of the colonies enumerated in section 8A of The Customs Tariff, 1907, when conveyed without transshipment by ship direct into a sea or river port of Canada, per gallon.	\$5.00	—	—
216a Cresylic acid when imported for use only by manufacturers in the manufacture of preparations for disinfecting, dipping and spraying.	Free	Free	Free
295a Zirconium silicate.	Free	Free	Free
384c Rolled sheets of iron or steel coated with tin, of a class or kind not manufactured in Canada.	Free	5 p.c.	5 p.c.
438 Locomotives and motor cars for railways and tramways.	22½ p.c.	30 p.c.	35 p.c.
433a Automobiles and motor vehicles of all kinds, n.o.p.	15 p.c.	25 p.c.	27½ p.c.
433b Automobiles for conveying passengers only, valued at retail with standard equipment complete at not more than twelve hundred dollars each; motor cars or motor trucks (not for railways or tramways) for carrying goods only; motor cycles.	12½ p.c.	17½ p.c.	20 p.c.
448 Spraying machines, fruit or vegetable grading machines, incubators for hatching eggs, brooders for rearing young fowl, pruning hooks, pruning shears, hay loaders, potato-diggers, fodder or feed cutters, grain crushers, fanning mills, hay tedders, farm or field rollers, post hole diggers, snaths, milking machines, milking machine attachments; centrifugal machines for testing butter fat, milk or cream; pasteurizers for dairying purposes; equipment for generating electric power for farm purposes only, viz: engine, generator, storage battery and switch board; stumping machines, and other agricultural implements, n.o.p., and complete parts of articles specified in this tariff item.	5 p.c.	10 p.c.	10 p.c.
453f Iron or steel castings in the rough, not further finished than with the burrs removed, when imported by manufacturers of shot guns for use only in their own factories, under regulations prescribed by the Minister of Customs and Excise.	5 p.c.	7½ p.c.	10 p.c.
460e Belt and cap lamps and parts thereof to be used exclusively in a mine; parts of miners' safety lamps, n.o.p.	Free	Free	Free

Tariff Items	—	British Preferential Tariff	Intermediate Tariff	General Tariff
469b	Machinery and apparatus and parts thereof for use only in producing unrefined oil or fertilizer from shales, not to include motive power of a class or kind made in Canada.....	Free	Free	Free
502d	Gun stocks and fore-ends for shot guns of walnut in the rough, not further manufactured than bored and channelled, when imported by manufacturers of shot guns for use only in the manufacture of shot guns in their own factories.....	10 p.c.	12½ p.c.	15 p.c.
590a	Aeroplanes and other aircraft and complete parts thereof, n.o.p., under regulations prescribed by the Minister of Customs and Excise.....	15 p.c.	25 p.c.	27½ p.c.
590c	Engines and complete parts thereof, when imported for use only in the equipment of aircraft.....	Free	7½ p.c.	10 p.c.
	On and after 1st July, 1928.....	15 p.c.	25 p.c.	27½ p.c.
626a	Men's and boys' hats made of hatters' felt in the rough, not blocked or further finished, when imported by manufacturers of men's and boys' hats for use only in the manufacture of such hats in their own factories.....	15 p.c.	20 p.c.	25 p.c.
664b	Ethylene glycol, when imported by manufacturers of explosives, for use only in the manufacture of such articles in their own factories.....	Free	Free	Free
680a	Sponges of marine production.....	Free	17½ p.c.	17½ p.c.

3. Resolved, That Schedule B to The Customs Tariff, 1907, as amended by chapter thirty-eight of the Statutes of 1924, be further amended by striking thereout item 1031, the enumeration of goods, and the rate of drawback to the said item and to provide that the following items, enumerations and rates of drawback of customs duties be inserted in said Schedule B:

Tariff Item	Goods	When Subject to Drawback	Portion of Duty (Not including Special Duty or Dumping Duty) Payable as Drawback
1050	Sugar.....	When used in the manufacture of loganberry wine. Provided that drawback shall not be payable in respect of any raw sugar, except raw sugar produced in a British country.....	99 p.c.
1051	Artificial silk tops and waste or artificial fibre silk tops and waste enumerated in tariff item 583a.....	When further manufactured after the 31st day of December, 1925, and prior to the 1st day of January, 1928.....	80 p.c.
1052	Artificial silk yarns or filaments enumerated in tariff item 583aa, imported prior to the first day of January, 1926.....	When further manufactured prior to the first day of January, 1927.	80 p.c.
1053	Cellulose acetate in powdered form imported after the thirtieth day of April, 1927, and prior to the first day of November, 1927.....	When imported by manufacturers and further manufactured in their own factories before the first day of December, 1927....	99 p.c.

Tariff Items	Goods	When Subject to Drawback	Portion of Duty (Not including Special Duty or Dumping Duty) Payable as Drawback
1054	Yarns produced from cellulose acetate, dry spun, not more advanced than singles, when imported after the thirty-first day of October, 1926, and prior to the first day of August, 1927.....	When imported by manufacturers and further manufactured in their own factories before the first day of September, 1927....	80 p.c.
1055	Materials, including all parts.....	When used in the manufacture of goods enumerated in tariff items 438a and 438b. Provided that no drawback shall be paid under this item unless at least 50 per cent of the cost of the finished article has been produced in Canada.....	25 p.c.

4. Resolved, That any enactment founded on resolution number one shall be deemed to have come into force on the first day of January, one thousand nine hundred and twenty-seven, and to have applied to goods imported under the provisions of said resolution number one on and after that day.
5. Resolved, That any enactment founded on the foregoing resolutions number two and three shall be deemed to have come into force on the sixteenth day of April, one thousand nine hundred and twenty-six, and to have applied to all goods mentioned in the foregoing resolutions imported or taken out of warehouse for consumption on and after that day, and to have applied to goods previously imported for which no entry for consumption was made before that day.

CANADIAN REPRESENTATIVES TRAVELLING ABROAD SHOULD VISIT TRADE COMMISSIONERS' OFFICES

The principals of Canadian firms when travelling abroad, or their representatives, should make a point of calling on the Canadian Trade Commissioners on duty in the countries visited. It would be greatly appreciated if advance notice of their visit were given, so that on their arrival the Trade Commissioner might bring to their attention, from his files, possible inquiries for their goods. Among the matters that might come under discussion with the Trade Commissioner are the demand and prospective demand for specific commodities and the competition to be met with, selling methods and terms, the general standing of individual firms and agents, freight rates and customs duties.

Trade Commissioners will be glad to place the facilities of their office fully at the disposal of the representatives of Canadian firms, and give them suitable introductions to firms interested in the products they handle.

TRADE COMMISSIONER E. L. McCOLL'S FORTHCOMING
BUSINESS TOUR OF CANADA

Mr. E. L. McColl, Canadian Trade Commissioner to the Argentine Republic, who has recently returned to Canada after an absence of five years for the purpose of investigating business conditions and opportunities in the Dominion as far as these affect the market for Canadian products in Argentina, is about to visit the various manufacturing centres in the Dominion. On his way home Mr. McColl paid a brief visit to Chile and made a more extended visit to Peru in the interests of Canadian trade. Canadian manufacturers and exporters who are interested in these countries, as well as in Mr. McColl's special field, the Argentine Republic, and who should desire to be brought in touch with him, or to interview him, are requested to communicate with the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa, in order that the necessary arrangements may be made.

CLASSIFICATION OF PAPER, PAPERBOARD AND CARDBOARD
IN ARGENTINA

D. FORSTER, OFFICE OF THE CANADIAN TRADE COMMISSIONER

Buenos Aires, March 25, 1926.—The Ministry of Finance has recently decreed that paper, to be considered as such, must not weigh more than 200 grammes per square metre. Those types which have a separate and special heading in the customs tariff are exempted from this ruling. Paperboard must weigh from 200 grammes to 400 grammes per square metre. Sheets weighing more than 400 grammes per square metre shall be considered as cardboard, with the exception of those that are lined and those made of material other than yellow straw, grey paper or mechanical wood-pulp. The decree states that the above classifications will only apply to these products when imported in sheet and not to manufactured articles of the same material.

Common white paper for newspapers, glazed or not, may be cleared free of duties if it weighs from 45 to 60 grammes per square metre in an atmosphere of 65 per cent humidity, and if it contains up to a maximum of 25 per cent of chemical paste and a minimum of 75 per cent of mechanical wood-pulp.

CUSTOMS CHANGES IN ST. LUCIA

Mr. James Cormack, Canadian Trade Commissioner in Trinidad, writes under date March 31, 1926, to intimate that the Government of St. Lucia has published in a Gazette Extraordinary dated January 19 of this year, new customs duties affecting some products shipped from Canada.

Flour.—The British preferential tariff on flour and meal (wheaten) has been increased from 4s. per 196 pounds to 4s. 6d. per 196 pounds, while the general tariff has been increased from 5s. to 6s. 6d. per 196 pounds.

Spirits.—The British preferential duties and the general tariff duties on brandy, gin, rum, and whisky have all been increased by 2s. 6d. per proof gallon. The new duties now are:—

	British Preferential Tariff	General Tariff
Brandy.. . . .	15s. 0d. per proof gallon	17s. 6d. per proof gallon
Gin.. . . .	12s. 0d. per proof gallon	14s. 6d. per proof gallon
Rum.. . . .	8s. 6d. per proof gallon	11s. 6d. per proof gallon
Whisky.. . . .	17s. 6d. per proof gallon	20s. 0d. per proof gallon

Before the passing of the legislation under review all articles set out in the first schedule of the Customs Duties Ordinance, with the exception of wheaten flour and coal, were subject to a further duty of 12½ per cent. This further duty has been increased to 17½ per cent, but it is stated that it shall not be payable in respect of wheaten flour, coal, empty bags (imported for the exportation of sugar, cocoa, and copra), and casks, barrels, shooks, staves and headings imported for the exportation of agricultural products.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING APRIL 19, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending April 19, 1926. Those for the week ending April 12, 1926, are also given for the sake of comparison.

	Parity	Week Ending	
		April 12, 1926	April 19, 1926
Britain £	1.00	\$4.86	\$4.8543
Czecho-Slovakia Crown	1.	.203	.0296
France Fr.	1.	.193	.0343
Italy Lire	1.	.193	.0402
Holland Florin	1.	.402	.4012
Belgium Fr.	1.	.193	.0380
Spain Pes.	1.	.193	.1421
Portugal Esc.	1.	1.08	.0520
Switzerland Fr.	1.	.193	.1930
Germany.. . . . Reichs Mk.	1.	.238	.2382
Greece Dr.	1.	.193	.0131
Norway.. . . . Kr.	1.	.268	.2180
Sweden.. . . . Kr.	1.	.268	.2680
Denmark Kr.	1.	.268	.2622
Austria Schilling	1.	.14125	.....
Japan Yen	1.	.498	.4600
Siam Tical	1.	.3709	.....
India R.	1.	2s.	.3630
United States \$	1.	\$1.00	1.0000
Mexico \$	1.	.498	.4875
Argentina Pes.	1.	.424	.3975
Brazil Mil.	1.	.324	.1387
Roumania Lei	1.	.193	.....
Jamaica f	1.	4.86	4.8800
British Guiana \$	1.	1.	.....
Barbados \$	1.	1.	.....
Trinidad \$	1.	1.	.....
Dominica \$	1.	1.	.....
St. Kitts \$	1.	1.	1.0062—1.0187
Grenada \$	1.	1.	1.0062—1.0187
St. Vincent \$	1.	1.	.....
Tobago \$	1.	1.	.....
Shanghai, China.. . . . Tael	1.	.708	.7150
Batavia, Java Guilder	1.	.402	.4018
Peru Pound	1.	4.86½	3.8425
Singapore, Straits Settlements .. \$	1.	.507	.5725

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," or THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

370. FOOD PRODUCTS.—Chilian importer wishes to hear from Canadian manufacturers of food products.

371. FLOUR.—A firm in the Piræus, Greece, are desirous of communicating with Canadian exporters.

372. FLOUR.—A firm at Santiago, Cuba, are desirous of negotiating with Canadian shippers of flour. Their activities cover the eastern portion of the island only, i.e. the provinces of Camaguay and Oriente.

373. SALMON, LOBSTER, DRIED FRUITS, FRUITS IN SYRUP.—A French concern would like to become the agents of Canadian exporters of the above lines.

374. FISH.—A firm in Greece are desirous of communicating with Canadian exporters of salmon, shrimps, crabs, and lobster.

375. CONDENSED AND DRIED MILK.—A firm of importers in Berlin, Germany, wish to get in touch with Canadian exporters.

376. SUGAR CANE WAX.—An importer in Antwerp desires to hear from Canadian exporters of sugar cane wax.

377. CASEIN.—A firm of importers in Berlin, Germany, wish to get in touch with Canadian exporters.

378. MALT.—Peruvian importer wishes to hear from Canadian exporters.

Miscellaneous

379. RAW SKINS AND HIDES.—A French concern would like to become the agents of Canadian exporters.

380. LUMBER.—Chilian importer wishes to receive quotations from Canadian exporters.

381. RAILROAD SLEEPERS.—Peruvian importer wishes to hear from Canadian exporters.

382. WOOD-PULP.—Chilian importer wishes to hear from Canadian exporters.

383. WOOD ALCOHOL.—Uruguayan importer wishes to open negotiations with manufacturers.

384. RUBBER GOODS.—Chilian manufacturers' representative wishes to hear from Canadian manufacturers.

385. HARDWARE.—Chilian importer wishes to hear from Canadian manufacturers of general hardware.

386. MACHINERY.—Uruguayan importer wishes to receive quotations and specifications of machinery for the manufacture of chocolate and cocoa.

387. MACHINERY.—Chilian importer wishes to hear from Canadian manufacturers of machinery (excluding agricultural) and engineers' supplies.

388. MACHINERY.—Chilian importer wishes to hear from manufacturers of new lines of machinery.

389. FARM MACHINERY.—A Japanese import firm are interested in small horse-drawn ploughs and harrows, also hand cultivators and dusting machines.

390. SODA FOUNTAIN EQUIPMENT.—Chilian importer wishes to hear from Canadian manufacturers of soda fountain equipment.

391. BUILDING MATERIAL.—Contractors to Chilian Navy, Army, State Railways and Public Works wish to hear from Canadian manufacturers.

392. RAW ASBESTOS AND FIBRE.—Brussels importer desires quotations c.i.f. Antwerp for Canadian raw asbestos and asbestos fibre, the latter testing 0.0.10.6 and over.

393. WIRE.—Chilian importer wishes to hear from Canadian manufacturers of wire and other partially manufacturer iron and steel products.

394. NEWSPRINT.—Chilian firm of representatives wish to receive samples and quotations from manufacturers of newsprint in rolls.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To LONDON, PLYMOUTH AND CHERBOURG.—Ausonia, May 1; Alaunia, May 8; Antonia, May 14; Ascania, May 22—all Cunard Line.

To LONDON.—Bothwell, May 1; Marburn, May 8; Brandon, May 15; Bosworth, May 22—all Canadian Pacific; Canadian Hunter, April 28; Canadian Trapper, May 8; Canadian Raider, May 18—all C.G.M.M.

To LIVERPOOL.—Aurania, April 30; Gracia, May 13; Kelvenia, May 20—all Cunard Line; Doric, May 1; Canada, May 8; Regina, May 14; Megantic, May 22—all White Star-Dominion; Montrose, April 30; Montcalm, May 7; Montclare, May 14—all Canadian Pacific.

To AVONMOUTH.—Oxonian, May 1; Welshman, May 15—both White Star-Dominion; Bawtry, Canadian Pacific, May 8; Kastalia, Anchor-Donaldson, May 8.

To GLASGOW.—Metagama, Canadian Pacific, May 20.

To BELFAST AND GLASGOW.—Letitia, April 30; Athenia, May 14; Carmia, May 21—all Anchor-Donaldson Line.

To BELFAST.—Lord Antrim, Head Line, May 16.

To DUBLIN.—Melmore Head, Head Line, May 16.

To SOUTHAMPTON.—Minnedosa, May 5; Melita, May 19—both Canadian Pacific.

To CARDIFF AND SWANSEA.—Canadian Mariner, May 7; Canadian Commander, May 21—both C.G.M.M.

To ANTWERP.—Minnedosa, May 5; Melita, May 19—both Canadian Pacific; Canadian Hunter, April 28; Canadian Trapper, May 8; Canadian Raider, May 18—all C.G.M.M.

To HAVRE.—Grey County, Intercontinental Transports Ltd., May 15.

To ROTTERDAM.—Hastings County, Intercontinental Transports Ltd., May 8.

To HAMBURG.—Essex County, Intercontinental Transports Ltd., May 8.

To ITALIAN PORTS.—Valfiorita, Lloyd Mediterraneo Italian Service, May 15.

To COPENHAGEN AND BALTIC PORTS.—Frode, Scandinavian-American Line, May 12.

To AUSTRALIAN PORTS.—Canadian Spinner, C.G.M.M., May 14; Wirral, New Zealand SS., May 20.

To NEW ZEALAND PORTS.—Canadian Challenger, C.G.M.M., May 25; Wirral, New Zealand SS., May 20.

To WEST AND SOUTH AFRICAN PORTS.—Monarch, Elder Dempster Line, May 15.

To SOUTH AMERICAN PORTS.—Bore, Houston Line, May 20.

To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Runner, May 4; Canadian Otter, May 14; Canadian Volunteer, May 22—all C.G.M.M.

To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Fisher, C.G.M.M., May 19.

To ST. JOHN'S, Nfld.—Emperor of St. John, May 1; a steamer, May 15—both Robert Reford & Co.; Canadian Sapper, C.G.M.M., April 29, May 17.

To CUBA.—Emperor of Fredericton, May 8; a steamer, May 18—both Robert Reford & Co.

From Quebec

To LIVERPOOL.—Montroyal, Canadian Pacific, May 21.

To GLASGOW.—Montnairn, Canadian Pacific, April 29.

To SOUTHAMPTON.—Empress of France, May 12; Empress of Scotland, May 26—both Canadian Pacific.

To HAMBURG.—Empress of France, May 12; Empress of Scotland, May 26—both Canadian Pacific.

From Halifax

To LIVERPOOL.—Sachem, May 19; Newfoundland, May 26—both Furness, Withy.

To ST. JOHN'S, Nfld.—Sachem, May 19; Newfoundland, May 26—both Furness, Withy; Skipper, April 30; Hethpool, May 7—both Farquhar SS.

To BERMUDA, ST. KITTS, ANTIGUA, MONTSERRAT, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Chignecto, May 7; Teviot, May 21—both R.M.S.P. Co.

To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Forester, C.G.M.M., May 1.

To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, May 19.

To SANTIAGO, KINGSTON AND MONTEGO.—Andalusia, Pickford & Black, May 5.

From Vancouver

To YOKOHAMA AND KOBE.—Atago Maru, Nippon Yusen Kaisha, May 22.

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Russia, Canadian Pacific, May 1.

To YOKOHAMA, KOBE, SHANGHAI AND HONG KONG.—Empress of Australia, Canadian Pacific, May 13.

To YOKOHAMA, KOBE, MIKE AND HONG KONG.—Protesilaus, April 29; Talthybius, May 13—both Blue Funnel.

To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Alabama Maru, Osaka Shosen Kaisha, May 5.

To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Aorangi, Canadian-Australasian Line, May 5.

To LIVERPOOL, AVONMOUTH AND GLASGOW.—Canadian Transporter, C.G.M.M., April 28.

To LIVERPOOL.—Dinteldyk, end April; Loch Monar, middle May—both North Pacific Coast Line.

To LONDON AND ANTWERP.—Canadian Ranger, C.G.M.M., May 10; Dinteldyk, end April; Loch Monar, middle May—both North Pacific Coast Line.

To LONDON, HAMBURG, ANTWERP AND BREMEN.—Kornit, United American Lines, May 1.

To MANCHESTER.—North Western Miller, Furness Pacific Line, May 18.

To ROTTERDAM.—Dinteldyk, end April; Loch Monar, middle May—both North Pacific Coast Line.

To BARCELONA, MARSEILLES, GENOA, NAPLES AND TRIESTE.—Duchess D'Aosta, Navigazione Libera Triestina, May 19.

To BORDEAUX, HAVRE AND ANTWERP.—Zenon, May 5; Arizona, May 21—both Cie. Gle. Transatlantique (French Line).

To TRINIDAD.—A steamer, Pacific-Caribbean Gulf Line, late May.

To PUERTO (COLOMBIA), CURACAO AND TAMPICO.—Point Lobos, Pacific-Caribbean Gulf Line, May 9.

To AUSTRALIAN AND NEW ZEALAND PORTS.—West Cahokia, Pacific-Australia Line, May 14.

LISTS OF ACTS ADMINISTERED AND PUBLICATIONS ISSUED BY THE DEPARTMENT OF TRADE AND COMMERCE

Applications for these Acts of Parliament and other publications in this list, together with remittances for the same, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution".

Copper Bars and Rods Bounty Act. Copyright Act.
Electricity and Fluid Exportation Act. Electricity Inspection Act.
Electric Units Act. Gas Inspection Act. Gold and Silver Marking Act.
Grain Act. Hemp Bounty Act. Inland Water Freight Rates Act.
Patent Act. Statistics Act. Trade Mark and Design Act.
Timber Marking Act. Inspection of Water Meters Act.
Weights and Measures Inspection Act.

MISCELLANEOUS

Annual Report of the Department of Trade and Commerce. (Price 10 cents.)
Annual Report of the Board of Grain Commissioners for Canada. (Price 25 cents.)
Annual Report of Weights and Measures, Electricity and Gas. (Price 10 cents.)
Canada-British West Indies-Bermuda-British Guiana-British Honduras Trade Agreement (1925). (Price 10 cents.)
Canada West Indies Conference (1920). (Price 25 cents.)
Canada-West Indies Conference Report, (1925). (Price \$1.)
Dominion Grain Research Laboratory (1920). (Price 10 cents.)
Electrical Standards and their application to Trade and Commerce.
Final Report of the Fuel Controller (1920).
Grain Inspection in Canada (1914). (Price 25 cents.)
Imperial Fruit Show (1923).
List of Licensed Elevators, etc. (Price 50 cents.)
Motion Pictures, Catalogue of. (Price 10 cents.)
Pan-Pacific Commercial Conference (1923). (Price 25 cents.)

PUBLICATIONS OF THE COMMERCIAL INTELLIGENCE SERVICE

NOTE.—Publications of the Commercial Intelligence Service are free to subscribers to the Commercial Intelligence Journal.

Commercial Intelligence Journal Weekly (In English and French), containing Reports of Trade Commissioners and other Commercial Information. Annual Subscription: In Canada, \$1; single copies, 5 cents. Outside Canada \$3.50; single copies, 10 cents.
Chinese Markets for Canadian Products (1919). (Price 25 cents.)
German War and its Relation to Canadian Trade (1914). (Price 25 cents.)
Indian Empire as a Market for Canadian Products (1922). (Price 25 cents.)
Markets of British Malaya (1923). (Price 25 cents.)
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Packing for Overseas Markets (1922). (Price 25 cents.)
Preferential Tariffs of British West Indies (1922). (Price 25 cents.)
Report of Special Trade Commission to Great Britain, France and Italy. (French and English) 1916). (Price 25 cents.)
Representation in British and Foreign Markets (1923). (Price 25 cents.)
Republic of Chile: Its Economic Condition and Trading Opportunities (1923). (Price 25 cents.)
Republic of Peru: Its Development and Commercial Opportunities (1923). (Price 25 cents.)
Russian Trade (1916). (Price 25 cents.)
Trade after the War (1916). (Price 25 cents.)
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Toy Making in Canada (1916). (Price 25 cents.)
West Africa and its Opportunities for Canadian Trade (1921). (Price 25 cents.)

PUBLICATIONS OF THE DOMINION BUREAU OF STATISTICS

The following is an abbreviated list of publications of the Bureau of Statistics.

Census of Canada.

Census of Prairie Provinces (1916).

Miscellaneous Statistics respecting the following: Criminal; Education; Finance (Provincial and Municipal); Transportation, including railways and tramways, express, telegraphs, telephones water, etc.; Production, including agriculture, furs, fisheries, forestry, mining and manufactures: Vital (annual and monthly).

Monthly Bulletin of Agricultural Statistics

Year Book of Canada.

Report of the Dominion Statistician, Annual.

Trade of Canada (Imports and Exports), Annual and Monthly.

Trade (Internal), including grain, live stock, coal prices, etc.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

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J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

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CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, May 1, 1926

No. 1161

TABLE OF CONTENTS

	Page		Page
Trade Commissioner E. L. McColl's Forthcoming Business Tour of Canada	545	Peru as a Market for Canadian Products—	
Monthly Report of the Trade of Canada . .	545	II: Food Products	560
Exports from Canada to the United States .	546	Canadian Wheat in Mexico	564
British Leather Market	548	Economic Conditions in the Netherlands .	566
Industrial Conditions in Scotland and Northern Ireland	550	Utrecht Trade Fair changing in Character	567
Canadian Exports to Newcastle-on-Tyne . .	551	Japanese Importations in Anticipation of	
Market for Spool Wood, Birch Squares, etc., in England	552	Tariff Revision	568
Market for Biscuits in West Africa . . .	554	Japanese Lumber Imports show decline . .	568
Australian Financial and Commercial Conditions	555	Japanese Wheat Imports increase	569
Imports of Flour into the French East Indies: A Correction	556	Tariff Changes and Customs Regulations:	
Victorian Government's Electrical Scheme .	557	Czecho-Slovakia Requires a Certificate of	
South African Paper Market during the First Quarter of 1926	558	Origin for Flour, Grain, etc.	570
Newfoundland's Paper Industry	558	Japanese Anti-Dumping Law	570
Production of Cod Liver Oil in Newfoundland	558	Dyestuffs Importation into Japan	570
Trade Commissioners on Business Tours in Canada	559	Import of Foxes into Denmark	571
Cotton Goods Market in Kenya Colony . .	559	Tariff Changes in Mexico	571
		New Zealand Customs Forms	571
		Conditions in Chile	572
		Winter Dairying in Siberia	572
		Tenders Invited	572
		Foreign Exchange Quotations for Week ending April 26	573
		Trade Inquiries for Canadian Products . .	573
		Proposed Sailings from Canadian Ports . .	574

TRADE COMMISSIONER E. L. McCOLL'S FORTHCOMING BUSINESS TOUR OF CANADA

Mr. E. L. McColl, Canadian Trade Commissioner to the Argentine Republic, who has recently returned to Canada after an absence of five years for the purpose of investigating business conditions and opportunities in the Dominion as far as these affect the market for Canadian products in Argentina, is about to visit the various manufacturing centres in the Dominion. On his way home Mr. McColl paid a brief visit to Chile and made a more extended visit to Peru in the interests of Canadian trade. Canadian manufacturers and exporters who are interested in these countries, as well as in the Argentine Republic and Uruguay, and who should desire to be brought in touch with him, or to interview him, are requested to communicate with the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa.

MONTHLY REPORT OF THE TRADE OF CANADA

The attention of business concerns in the Dominion interested in the country's imports and exports is directed to the *Monthly Report of the Trade of Canada*, published by the Dominion Bureau of Statistics. This report (470 pages monthly) gives details of the importations of more than 1,900 articles, and of the exportations of nearly 600 articles, with the principal countries that the goods were received from or sent to. The price of this report is 20 cents the single copy or \$2.40 the year, postpaid to addresses in Canada and the United States. Sample copies may be obtained on application to the Dominion Statistician, Dominion Bureau of Statistics, Ottawa, to whom all subscriptions should be addressed.

EXPORTS FROM CANADA TO THE UNITED STATES OF PRINCIPAL COMMODITIES SUCH AS ARE PRODUCED ON CANADIAN FARMS, OR MANUFACTURED DIRECTLY FROM SUCH FARM PRODUCTS, DURING THE MONTH AND SIX MONTHS ENDED MARCH, 1921, 1922, 1925 AND 1926; WITH UNITED STATES TARIFF RATES IN FORCE

(COMPILED BY THE EXTERNAL TRADE BRANCH, DOMINION BUREAU OF STATISTICS, AND THE FOREIGN TARIFFS DIVISION)

Commodities	Month of March				Six Months ended March				United States Tariff Rates in force		
	1921	1922	1925	1926	1921	1922	1925	1926	Prior to March 27, 1921	From May 27, 1921 to Sept. 21, 1922	Subsequent to Sept. 21, 1922
Animals (except for improvement of stock)—											
Cattle..... No.	13,214	1,983	8,261	18,883	182,735	107,946	49,152	96,452	Free	30 p.c.	(a)
Horses..... No.	734,007	41,454	181,361	566,324	13,567,637	2,002,837	3,173,771	3,155,937	Free	10 p.c.	(b)
Poultry..... No.	36,460	87,867	7,848	11,910	309,129	286,364	55,835	67,811	10 p.c.	1c. per lb.	3c. per lb.
Sheep..... No.	11,887	10,865	18,794	28,670	558,762	585,868	599,926	627,422	1c. per lb.	Free	\$2 per head
Fruits—											
Apples, green or ripe..... Bbl.	1,220	6,217	26,204	96	1,095,200	325,077	218,094	219,641	Free	30c. bu.	25c. bu. 50 lb.
Apples, dried..... Lb.	1,797	593	26	2,182	60,578	2,000,700	179,566	122,615	1c. per lb.	1c. per lb.	1c. per lb.
Berries, fresh.....	51	330	4,334	2,208	28,874	46,227	57,397	115,577	1c. per qt.	1c. per qt.	1c. per lb.
Grains—											
Barley..... Bush.	107	1,318	1,800	150	183	4,044	9,640	3,538	15c. bu. 43 lb.	15c. bu. 48 lb.	20c. bu. 48 lb.
Beans..... Bush.	948	29	3,832	1,186	235	2,261	8,304	1,770	2c. lb.	Free	10c. per 100 lb.
Buckwheat..... Bush.	31,191	12,274	58,728	9,759	21,625	88,912	47,603	108,584	Free	Free	15c. bu. 32 lb.
Oats..... Bush.	494,866	213,528	54,762	7,130	233,051	72,551	461,509	36,850	10c. bu. 60 lb.	10c. bu. 60 lb.	1c. lb.
Peas, whole..... Bush.	14,618	20,179	33,036	42,530	625,743	681,722	159,160	179,038	10c. bu. 32 lb.	10c. bu. 32 lb.	15c. bu. 32 lb.
Peas, split..... Bush.	58,793	80,547	70,800	50,234	237,131	319,285	476,606	348,099	10c. bu. 60 lb.	10c. bu. 60 lb.	1c. lb.
Rye..... Bush.	12,770	2,888	1,800	430	290,333	64,180	8,874	321	10c. bu. 60 lb.	10c. bu. 60 lb.	1c. lb.
Wheat..... Bush.	20,507	42,291	1,644	163,508	40,598,547	9,261,079	1,872,419	6,579,280	Free	Free	15c. bu. 56 lb.
Wheat, middlings..... Bush.	5,835,656	55,234	3,008	184,416	86,799,223	10,372,270	2,784,006	8,869,077	Free	35c. per bush.	42c. bu. 60 lb.
Grain Products—											
Bran, shorts and middlings..... Cwt.	131,921	3,794	421,087	86,303	700,486	264,880	1,574,955	1,613,571	20 p.c.	20 p.c.	1-04 p. 100 lb.
Wheat Flour..... Bbl.	166,359	6,209	550,137	102,342	1,188,368	282,007	2,051,461	2,022,720	Free	Free	2c. per lb.
Meats—											
Bacon, hams, shoulders and sides..... Cwt.	198,968	71,033	698	1,922	1,094,003	413,766	6,052	11,486	Free	25 p.c.	2c. per lb.
Beef, fresh, chilled or frozen..... Cwt.	1,749,916	437,098	7,354	13,929	10,863,352	2,510,621	38,240	80,705	Free	2c. per lb.	3c. p. lb. (c)
	285,804	105,228	28,346	77,358	2,150,577	1,148,997	160,349	772,079	Free	2c. per lb.	3c. p. lb. (c)

Mutton and lamb, fresh, chilled or frozen.....	244	2,369	63	40,317	54,780	642	17,924	.....	.....
Pork, fresh, chilled or frozen.....	6,385	44,258	2,010	1,029,221	929,891	15,896	441,570	Free	2c. per lb.
Pork, dry-salted and pickled.....	141	638	8,412	4,608	5,219	47,295	22,237	Free	2c. per lb.
Poultry, dressed or undressed.....	7,271	19,893	167,299	176,607	125,664	850,028	522,766	Free	2c. per lb.
Other meats, including canned meats, but excluding extracts.....	.....	.....	.....	273	622	331	370	Free	25 p.c.
Milk and milk products—	.....	.....	.....	9,795	9,917	5,519	6,308	Free	2c. per lb.
Butter.....	.....	.....	.....	460,682	684,791	132,011	368,897	2c. per lb.	6c. per lb.
Cheese.....	.....	.....	.....	188,126	5,428	7,689	10,165	Free	20 p.c.
Cream.....	.....	.....	.....	1,502,253	2,625,677	2,259,500	360,188	2c. per lb.	8c. per lb.
Milk, fresh.....	.....	.....	.....	748,841	937,111	855,207	144,848	2c. per lb.	.....
Milk, condensed, including milk powder.....	.....	.....	.....	275,394	2,934,382	199,300	116,600	20 p.c.	.....
Seeds—	.....	.....	.....	4,515	451,216	55,128	36,358	.....	.....
Clover seed, alsike.....	.....	.....	.....	386,383	726,014	1,085,408	1,428,428	.....	.....
Clover seed, alfalfa and red.....	.....	.....	.....	234,671	386,383	1,085,408	1,428,428	.....	.....
Clover seed, other.....	.....	.....	.....	329,571	1,050,454	1,432,599	2,005,050	Free	5c. gal. (j)
Flaxseed.....	.....	.....	.....	304,396	1,631,670	1,414,740	2,005,611	Free	2c. gal. (j)
Grass seed.....	.....	.....	.....	64,415	152,755	279,354	421,254	.....	.....
Vegetables—	.....	.....	.....	963,300	88,327	5,900,326	3,425,800	Free	1c.—3c. lb.
Potatoes.....	.....	.....	.....	117,468	16,884	693,848	335,966	Free	2c. per lb.
Sugar beets.....	.....	.....	.....	58,079	88,145	137,400	142,557	Free	4c. per lb.
Turnips.....	.....	.....	.....	685,850	797,848	1,182,741	1,609,130	Free	4c. per lb.
Miscellaneous Products—	.....	.....	.....	1,972	6,700	25,769	60,512	Free	4c. per lb.
Eggs.....	.....	.....	.....	20,994	68,125	328,425	611,708	Free	.....
Hay.....	.....	.....	.....	54,847	141,101	118,919	141,327	Free	.....
Maple sugar.....	.....	.....	.....	325,245	164,304	663,357	516,265	Free	.....
Tallow.....	.....	.....	.....	329,072	1,425,165	1,421,294	1,154,477	Free	.....
Wool.....	.....	.....	.....	1,740,138	2,661,951	3,210,909	2,670,248	20c. bu. 56 lb. 30c. bu. 56 lb.	40c. bu. 56 lb.
Total value of above commodities.....	.....	.....	.....	76,354	63,502	85,843	23,948	Free	2c. per lb.

(a) Cattle weighing less than 1,050 pounds, 11c. per lb.; 1,050 pounds or over, 2c. per lb. (b) Horses valued at not more than \$150 each, \$30 per head; more than \$150 each, 20 per cent; (c) Slop, one year old or over, \$2 per head; less than one year old, \$1 per head. (d) Prior to April 6, 1924, 30c. per bush. (e) Prior to May 27, 1921, and from May 27, 1921, to September 21, 1922, 10c. per bush. (f) Prior to April 6, 1924, 15c. ad val.; from September 21, 1922, to April 6, 1924, 15c. ad val.; subsequent to April 6, 1924, 15c. ad val.; if from other cereals, 15c. ad val. (g) Applies to particular meat in question when fresh. (h) Mutton fresh, 2c. per lb.; lamb, fresh, 4c. per lb. (i) Cheese, 5c. per lb. but not less than 25 per cent. (j) 1 lb.—231 cubic inches about equal to five-sixths of imperial gallon. (k) Clover seed, crimson, 1c. per lb.; white, 3c. per lb. and other, 2c. per lb. (l) Dutiable at various rates. See Commercial Intelligence Journal No. 974, Sept. 30, 1922, pages 516-7.

Total value of above commodities..... \$ 10,815,936

BRITISH LEATHER MARKET

TRADE COMMISSIONER G. B. JOHNSON

Glasgow, April 8, 1926.—Canadian sole leather has a good reputation in the British market, and this reputation in the case of some manufacturers seems to be gaining ground owing to the improved character of the leather supplied (rounding in the limes, and tanning the belly, shoulder and bend apart, as is the English custom—a change in method which, if it were generally followed, would do much to popularize Canadian leather on this market). If the use of Epsom salts were largely discontinued by Canadian tanners manufacturing for the British market, the reputation of Canadian leather would be still further enhanced. In a country with a dry atmosphere such as that in Canada and the United States, the use of these salts may be, and doubtless is, of no importance, but for leather intended for the British market their use, except in small amounts, is a mistake. The climate in the British Isles is so damp that the salts come out on the surface of the leather, and this reacts badly on sales and prices.

Many large shoe manufacturers in this country can place orders for very large blocks of leather, although individual manufacturers would not buy the same variety of leather as would be the case with an importing house. Nevertheless, the tendency is becoming more and more pronounced on the part of the larger sole leather tanners of the United Kingdom to go direct to the larger and more select shoe manufacturers.

British leather tanners are stated to be approaching the fashion experts with a view of getting early news of changes in colour schemes. They are anxious to find out in advance what colours women are likely to wear so that they can be ready with leather of just the right shade to enable them to match their frocks and their footwear as the fashion changes. Manufacturers would not then have to turn out footwear in numerous styles and countless different colour schemes on the chance that they would be wanted. Thousands of pairs of shoes that have never suited any dresses are left on the hands of retailers at the end of every season.

The British tanners are making a determined effort to capture what is now one of the most important branches of the leather trade of the world—coloured kid manufacturing. They are considering the possibilities of a new acetone method which enables chromed skins to be kept indefinitely in such a condition that they can be dyed as required to any particular colour of shoe that is in demand.

There was probably more employment in the shoe industries of the British Isles in 1925 than there was in 1924.

DEMAND IN SPECIFIC PRODUCTS

Sole Leather.—There has been throughout the year a persistent demand on the part of shoe manufacturers for light-weight cheap bends made from dry hide, many manufacturers inquiring for leather as light as 4/6 pounds, and although supplies throughout the year kept tanners pretty clear of stock, they were rarely, if ever, in a position to command higher prices. Notwithstanding the demand for this cheaper sole leather, there has at the same time been quite a steady consumption in good grade bend sole leather from 6/9 pounds, but most of the tanners have had throughout the year an accumulation of middle-weight bends ranging from about 10/12 pounds, and it is believed that at least part of those accumulations has had to be cleared at considerable sacrifices. For the heavier type of bends, 12 pounds and upwards, the shoe manufacturers making the heavier type of men's shoes, and the repairing demands, have kept prices fairly steady and prevented accumulation in this particular stock.

Shoulders and Bellies.—Despite some considerable forced liquidation on the part of Continental tanners, the market for pinned shoulders and bellies right throughout the year has maintained an exceptional activity, this class of leather almost always realizing prices asked for. It is surmised in many quarters that the good prices realized for shoulders of a firm tannage are in consequence of shoe manufacturers reverting to this leather for sole cutting in their efforts to meet the demand for "shoes at a price."

Upper Leather.—For the first eight or nine months of the year the business in this section of the leather trade has been fairly well maintained, with patent leather a very prominent number, but towards the end of the year a flood of Continental forced liquidation had the effect of largely demoralizing the market and, to some extent, checking the confidence of buyers in prices. In the early winter the Midlands of England had a welcome accession to their order books as a consequence of the sudden and insistent demand that arose for the "long" or "Russian boots", a demand that was moderately well maintained right on to the end of January. These orders were very useful in consuming some ancient stocks of large-sized black and coloured glace kid. The chief feature of the shoe trade subsequent to the opening of the year has been the demand for coloured glace kid for the manufacture of ladies' strap shoes, and much confusion has arisen owing to the difficulty of getting bulk deliveries from the tanners, and the exacting nature of the demands on the part of the shoe manufacturers and their customers, who are insisting upon receiving the goods they have ordered even to a "shade of a shade", so much so that most of the people engaged in this business, both from the leather and manufacturing ends, will be only too glad when the season comes to an end.

CANADIAN EXPORTS TO THE UNITED KINGDOM

Canadian exports of sole leather to the United Kingdom were of a value of \$1,613,000 for the fiscal year ending March 31, 1920; \$184,000 for the fiscal year 1921; \$516,000 for 1922; \$176,000 for 1923; \$499,000 for 1924; \$497,000 for 1925; and \$328,000 for the last nine months of the calendar year 1925. Canadian exports of upper leather for the fiscal year ending March 31, 1920, were of the value of \$4,539,000; 1921, \$2,189,000; 1922, \$1,149,000; 1923, \$772,000; 1924, \$588,000; 1925, \$1,153,000; and for the last nine months of the calendar year of 1925, \$450,000.

INDUSTRIAL CONDITIONS IN SCOTLAND AND NORTHERN IRELAND

TRADE COMMISSIONER G. B. JOHNSON

Glasgow, April 15, 1926.—Since the New Year contracts for new ships have been coming to Clyde shipbuilding firms with gratifying frequency. Most of the shipyards on the river have work on hand which will keep them going for many months. There is quite a boom in motor ships. The placing by the Shaw, Savil and Albion Company of London of an order for a large passenger and cargo motor ship of 20,000 tons with the Fairfield Shipbuilding and Engineering Company rivets fresh attention to the importance of this class of work on the Clyde for large vessels. Messrs. Furness, Withy and Company, London, have placed an order for four cargo motor ships, each of 10,000 tons, with a Clydeside firm. The Elder Dempster Co. are to have four single-screw motor ships, each 355 feet long, built by Messrs. A. MacMillan and Sons, Dumbarton; and Harland and Wolff at Govan, Glasgow, are to build five motor ships for Messrs. McAndrew and Co., London. Messrs. Beardmore are to build three twin-screw passenger and cargo ships for a South American firm. Other substantial orders among many are two steamers of 8,500 tons and a cargo vessel of 4,000 tons,

and two steamers of 10,000 tons for London owners. The large proportion of motor ships now on the stocks or ordered looks very like a revolution in marine engineering, and one too in which the Clyde promises to take a pronouncedly leading part. While the effect of the placing of so much work on the Clyde may not be immediately apparent, the securing of these contracts is bound gradually, and within the course of a month or two, to make a very appreciable diminution in the ranks of the unemployed. Sixteen vessels, aggregating 33,391 tons, were launched on Clydeside during March. The figures for the first quarter of the year—39 vessels, representing 84,390 tons—are substantially down compared with the same period of the previous year, when there were 52 vessels of 143,456 tons.

As with shipbuilding, so with engineering, a kindred industry. Here also the prospects are decidedly better, not only for the making of marine engines, but also in the construction of locomotives. The North British Locomotive Company, Glasgow, are to construct 15 super-heater locomotives of the 4-8-4 type for the Cordoba Central Railway Company. Another railway company are said to have placed an order for 60 powerful locomotives with Glasgow makers.

There is a slightly increased demand naturally for shipbuilding material, and some of the rolling mills in the West of Scotland are running full time, but on the whole trade in steel material is still slow, but will improve when the orders for steel plates needed for the many new vessels ordered are passed along.

One fly in the ointment is the threatened labour troubles in the engineering industry, and the looming cloud in the coal-mining industry, both of which tend to hold back a forward movement.

There is a satisfactory output from several of the Scottish tweed factories. Although full operation is not in evidence, the outlook is promising. In the hosiery and underwear trade the mills are moderately well employed.

A better demand is evident in the Irish linen trade, and this covers all classes of linen goods. During the past few months exports have shown a considerable increase. Extensive orders are being placed for hem-stitched handkerchiefs, and American buyers are very prominent in this end of the business. Home trade is also encouraging. There appears to be a possibility of a demand being created for linen sports suitings.

SCOTTISH SHALE OIL INDUSTRY

That it is in the national interest that the shale mines of the Lothians should not be allowed to become derelict is one of the views expressed in the report issued in Glasgow by the Court of Investigation which recently investigated the wages position in the Scottish shale oil industry.

The report points out that, whatever might be arranged for the immediate future, it seemed plain that, sooner or later, unless circumstances altered, the only alternatives will be either to close down the industry or to obtain outside help. There were three sources, external to the six shale oil companies, from which financial assistance could be given—the Scottish Oils, Ltd., the Anglo-Persian Oil Company, and the Government.

The court's views were that, irrespective of the maintenance of any particular wages standard, assistance from these sources might play a vital part in tiding the shale industry over a period of depression and rendering possible its ultimate recovery. While appreciating that if Scottish Oils, Ltd., held that their interests could best be served by developing the refining side of the industry and abandoning the shale side, they could not be seriously challenged, the court suggest that concern might give further consideration to contributing, in part, towards maintaining in existence the industry with which they are so closely identified. With regard to the Anglo-Persian Oil Company, the report, pointing out the close association of that company with the shale companies in so far as it holds a million pounds ordinary capital in Scottish Oils, suggests that, as a

controlling company, and viewing the very serious situation which has arisen, they will co-operate with Scottish Oils in exploring every possible avenue of assistance. In the special circumstances of the industry, and having regard to the calamitous consequences of a complete breakdown, the court think that the giving of assistance through an Admiralty contract, which would enable the industry to continue at least for a time, is a matter which merits further consideration by the Government. The report concludes with a reference to the consequences of the abandonment of the industry, and remarks that it would be a grave misfortune to permit the shale industry to disappear, with consequent ruin to a large industrial population, without making a combined and sustained effort to prevent it.

RECORD FIGURES OF THE BANK OF SCOTLAND

The accounts of the Bank of Scotland for the year ending February last show, as have so many of their recent predecessors, an increase in profits. The feature of the year was the issue of £175,000 of new stock, which brought in a premium of no less than £332,000. This has been added to the reserve, together with the usual yearly appropriation of £125,000, raising that fund to £1,507,000, or rather more than the total paid-up capital, thus creating a record in the history of the bank. The increase in profits is about sufficient to pay the interest on the new capital, and after maintaining the allocations of £25,000 to both premises account and heritable properties account, the directors are able to add some £21,500 to the carry-forward. The principal changes in the balance sheet are those which experience of recent months would indicate. The decline in deposits has been accompanied by a considerable expansion in advances to industry and a curtailing of the less remunerative items, such as call money and gilt-edged stocks, while a decline in discounts reflects the smaller volume of trade. The cash position is a strong one, and the bank is well equipped to assist in any trade recovery which may take place. The Bank of Scotland is the oldest of the four remaining independent Scottish banks.

CANADIAN EXPORTS TO NEWCASTLE-ON-TYNE

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool April 9, 1926.—Through the courtesy of the Tyne Improvement Commission, figures have been obtained showing the tonnage of exports from Canada to Newcastle-on-Tyne during 1925. The total tonnage received from Canadian ports during last year amounted to 123,699 as compared with 23,022 in 1913.

By way of comparison, it is interesting to note the increased trade which has taken place in certain commodities as follows:—

	1913	1925
	Tons	Tons
Apples	376	3,401
Oats	946	17,432
Wheat	10,453	45,328
Cheese	963	2,095
Lard	37	5,266
Woodpulp	599	8,843

A decrease is recorded in the quantity of timber imported. During 1913, 5,121 loads of deals, battens and boards were imported as compared with 3,058 loads in 1925. Other timber not specified was imported in 1913 to the amount of 4,496 loads as against 989 loads in 1925. In calculating the tonnage of timber shipments, a load has been taken as equal to one ton.

Among commodities which were not mentioned in the 1913 returns, and which are shown in the 1925 statistics are the following in tons: sugar, 10,878; flour and meal, 12,096; bacon and pork, 11,493; barley, 175; bran, 234; hay, 38; eggs, 230; canned milk, 658; preserved meats, 477; butter, 6; hops, 27; glucose, 95; hair, 32; hides, 12; copper, 36; lead ore, 31; and chemicals, 36.

MARKET FOR SPOOL WOOD, BIRCH SQUARES, ETC., IN ENGLAND

The result of investigations made by the Canadian Trade Commissioners in the United Kingdom indicate that a potential market exists in that country for Canadian spool wood, birch squares, etc., providing Canadian firms are in a position and willing to lay down their products c.i.f. United Kingdom ports at competitive prices. The greatest attention, however, must be paid to the quality of the wood employed, and the cutting and shaping must be such as to meet the requirements of the English trade.

The market for spool woods appear to be pretty well confined to the cotton district in the North of England. Birch squares are used in the West of England and the Midlands by wood turners, cabinet makers, brush manufacturers, and as dowels for Windsor chairs. There is little or no demand for birch squares, etc., in the London area as there is no manufacture of spools and bobbins in that district. In the furniture trade, birch squares are generally used in the chair industry which is centred at High Wycombe in Buckinghamshire, but locally-grown birch is used from which squares are cut, and there appears to be no shortage in the supply.

SOURCES OF SUPPLY

Generally speaking, birch squares for spool turning and ordinary small wood turning are imported in fairly large quantities from Finland and Sweden, the principal sources of supply. The trade is principally handled by Liverpool and Hull shippers and distributed from these points to the consumers in the United Kingdom.

Bobbin manufacturers use a considerable amount of home-grown timber such as beech, sycamore, ash, and elm, but for certain classes of bobbins birch is necessary, and a large quantity of this timber is being used. Manufacturers specify their requirements for about one year ahead. The timber is then cut into the required sizes and shipped from the Baltic ports as soon as there is open water for navigation.

Transportation charges appear to be the only factor that should militate against the Canadian shipper, as Canadian-made squares are considered to be superior to the Scandinavian article inasmuch as defective workmanship has been found in the finish of the continental products. Complaint has sometimes been made against Canadian squares on the ground of imperfect cutting. Squares that are even slightly tapered at one end are useless for the manufacture of bobbins, and the same holds good when an undue proportion of knots are in the wood. Such defects must absolutely be avoided in order to secure repeat orders. Dealers in the trade are understood to be prepared to pay slightly more for Canadian squares owing to the fact that the product is generally of a more satisfactory nature.

SPECIFICATIONS AND PRICES

One Bristol firm stated that they would like to receive quotations on sizes 12 inches and 13 inches by 3 inches by 3 inches perfectly dry, but the price they offered to pay was only 3 to 4 cents c.i.f. Avonmouth per piece. Not only could they take such squares in the above lengths but if preferred by the Canadian shipper, they would accept them in multiples—that is 24 inches, 36 inches, etc.—but as these longer pieces would have to be cut into separate lengths they would expect some allowance in price. Quotations should be on a basis of per M feet gross lots.

Another Bristol firm of brush manufacturers are interested in squares for brush heads. They are at present using chestnut, but were willing to try out any samples of other woods from Canada. Quotations in sterling are desired

c.i.f. Avonmouth or delivered free in Bristol, and if the price and wood were found suitable large quantities would be purchased. It is believed they would be willing to pay slightly more than 3 to 4 cents per piece if a first-class article of hardwood were offered them.

The sizes for chair making are generally as follows (in inches): 27 by 1½ by 1½; 17 by 2¼ by 2¼; 11 by 2½ by 2½; 9 by 4 by 4. Quotations are requested per gross.

This business in chair and other small furniture stock might be developed if a representative of some Canadian manufacturer could visit the various districts and collect small orders, thus making up a large composite shipment from Canada, which if proven satisfactory should give the Dominion a foothold in the market.

In Birmingham, the centre of the toy manufacturing industry, birch squares are only a small proportion of the birch (planks) imported, and these are sold in bundles of 50 from 4 feet or 5 feet in length by 1 inch, 1¼ and 2 inches square. One firm, however, express a desire for samples of birch of 3 inches and 4 inches square.

Hull is the principal inlet for the Finland product. The dimensions in general demand arriving at this port in squares are ¾-inch to 2 inches rising by ⅛-inch and in lengths from 2 to 4 feet, increasing in gradations of 6 inches each, i.e. 2 feet, 2 feet 6 inches, 3 feet, 3 feet 6 inches, etc. From 60 to 70 per cent are of the longer lengths. They must be clear stock, and are tied up by uniform lengths in bundles. The number contained in each bundle depends on the thickness of the sticks.

Present prices are reported to be in the neighbourhood of £23 and £24 per standard f.o.r. Hull for Finland birch. One of the largest firms are able to buy their stocks as low as £20 per standard c.i.f. West Coast ports. But as Manchester firms quote around £24 or slightly easier, it is considered that business could be done at somewhere near this latter figure, providing other conditions can be satisfactorily met particularly as the Canadian product is looked upon favourably.

Canada exported spool wood to the United Kingdom in 1923 to the value of \$287,629, in 1924 to the value of \$370,111, and in 1925 to the value of \$566,549.

A list of firms in the United Kingdom in the market for these products is on file and may be had on application to the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa. Interested Canadian exporters may forward samples, prices, etc., to the various Trade Commissioners located in the United Kingdom, who will be pleased to place them before the trade in their several areas.

SOUTH AFRICAN PAPER MARKET DURING THE FIRST QUARTER OF 1926

TRADE COMMISSIONER G. R. STEVENS

Cape Town, March 23, 1926.—Demand continues steady in the South African paper trade. The only briskness is in a somewhat better market for kraft and wrappings, owing to the increased requirements of some of the manufacturing industries. In the wrapping trade Canada, due to an excellent product well advertised, is holding a share of the business in spite of close, and in some instances more advantageous, Scandinavian prices.

The newsprint imports have continued the same for the past few months, but as these sales are based on contracts placed in September-October of each year, no change could be anticipated. It is stated that the Scandinavian mills will make a very stiff bid this year for a larger share of the contract business, of

which Canada holds approximately 80 per cent at present. The extension of the Australian preference to Canada has resulted in the Scandinavian papers being shut out of that Dominion, and with the American market likewise closed to them by Canadian competition, their impact becomes intensified in other importing areas.

A few South African book and bond papers are selling freely without making any particular impression upon the bulk of the trade which is British. One Canadian paper in particular is making excellent progress, and will soon be among the best-known book papers in South Africa.

MARKET FOR BISCUITS IN WEST AFRICA

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool April 8, 1926.—There is a considerable demand in West Africa for what are described as cabin or native biscuits, put up in various shapes and sizes, both sweetened and unsweetened. The bulk of this trade is at present shared by two manufacturers, one in England and one in Holland. It is estimated that the English firm does almost five-eighths, and the Dutch manufacturer approximately a quarter, of the total business.

In addition to the above descriptions these biscuits are often listed in indents as cabin bread, ships' biscuits, sea biscuits, sailor's biscuits, navy bread, ration biscuits, army biscuits, etc.

The English manufacturer catering to this trade supplies over eighteen different varieties varying in price from 29s. to 34s. 6d. delivered f.a.s. Liverpool. These biscuits are in shapes as follows: small round, small square, large round, large square, very large square, oblong and oval. Of the above, the small round and large square are the best sellers. Certain special varieties of higher quality range in price from 44s. 6d. to 48s. 6d.

The prices mentioned above are for the biscuits only, and do not include containers. The reason for this method of quoting is because of the different requirements for various sections of West Africa. In addition, a number of Liverpool merchants trading to these colonies are engaged in the export of palm oil, as well as the importation of commodities for use in West Africa. They therefore frequently prefer a container which may afterwards be used for exporting this oil. Quotations for containers are also submitted by the manufacturers of the biscuits to meet the various requirements as follows: strong new barrels to hold from 101 to 112 pounds, 4s.; for barrels to hold from 91 to 100 pounds 3s. 6d.; and 81 to 90 pounds 3s. Iron-bound export cases lined with damp-proof paper to hold 112 pounds are provided at 5s., 84 pounds at 4s. and 56 pounds at 3s. Tin lining is also provided at cost if asked for. All biscuits are carefully hand packed. When merchants buying these biscuits wish to employ palm oil casks or containers they usually purchase the casks from coopers themselves and deliver them empty to the factory for packing, but the biscuit manufacturers also offer to supply these casks at competitive prices.

Terms are usually cash in one month less 3½ per cent or prompt cash less 5 per cent discount.

The Dutch prices are on the whole cheaper than the English, ranging from 23s. 6d. to 31s. 6d. for ordinary biscuits and up to 44s. 6d. for special qualities.

The demand for these biscuits is of course for native consumption and, as is usually the case in West African markets, an established brand is the great selling factor. Any Canadian firms wishing to enter this market must be prepared to furnish liberal samples and to employ the most energetic methods to build up business. It is obvious that the biscuits must be suitable to withstand the tropical heat and that all details of packing must be adapted to the special requirements of this market.

Samples of both English and Dutch biscuits in the various sizes, both sweetened and unsweetened, have been forwarded to the Department of Trade and Commerce, Ottawa. The selling prices covering such samples have also been furnished, and it is suggested that interested Canadian firms secure the loan of these samples first, and determine whether or not they can profitably compete in this trade. It will then be possible for this office to co-operate further with a view to placing manufacturers in touch with importers and securing additional necessary details.

AUSTRALIAN FINANCIAL AND COMMERCIAL CONDITIONS

C. HARTLETT, OFFICE OF THE TRADE COMMISSIONER

Melbourne, March 24, 1926.—The beneficial rains which have recently fallen very generally over the southern portion of Australia have dispelled much anxiety and resulted in a brighter outlook than has prevailed for some months. Owing to the drought conditions which had been experienced of late, water had to be carted for many miles in some districts, stock removed in large numbers to more favoured localities, and restrictions placed on the excessive use of water for domestic purposes in the city. Pastoralists, dairymen, and fruitgrowers will therefore greatly benefit by the change in the weather and business generally will be favourably influenced. More rain, however, is needed to replenish the reservoirs upon which Melbourne is dependent for its water supply, and there is still some anxiety in that direction and necessity for the continuation of caution in the use of water by householders.

The Commonwealth Government loan of £5,100,000 for the needs of different states was closed on March 18. It was oversubscribed by £1,000,000. This is the fifth of a succession of Commonwealth Government loans totalling £105,500,000 which has been fully subscribed by the public of Australia during the past two years, and is an indication of the great prosperity of the country. The next internal loan of any magnitude to be raised is one of £80,000,000 for the repayment of one of that sum falling due in December, 1927. As with previous war loans, it is expected that the greater portion of this loan will be converted into the new one by present holders.

The Commonwealth Treasurer recently announced in Parliament that the total war expenditure by Australia to December 31, 1925, amounted to £588,627,160. Of this amount, £134,749,949 was for interest on loans and gratuity bonds; £54,442,142 for pensions to soldiers' dependants; £27,434,971 for gratuities; £17,756,575 for vocational training, hospitals, hostels, and other repatriation; £34,717,064 for land settlement; £17,005,020 for war service homes; and £302,521,439 for other expenditure on account of the war.

The oversea trade returns of the Commonwealth for the first seven months of the current fiscal year to the end of January last show an increase in the value of imports from £88,170,615 to £90,298,473 in comparison with the corresponding period of the previous year. Exports, however, declined from £91,146,543 to £87,099,672 owing to the effect of dry weather conditions on the production of wheat and butter and the lower values prevailing for wool in comparison with last season's clip.

BUTTER EXPORTS TO CANADA

Advices recently received that dumping duty has been applied to Australian butter imported into Canada have given rise to very little comment amongst producers and exporters in this country. It is estimated that the total business done in that direction since October 1 approximates 40,000 cases of 56 pounds weight, but no reliance is placed upon any settled development in the trade as the result of the preference extended by the existing trade treaty between the two countries. It is considered here that as the Canadian dairying industry has made

great headway in recent years, and is expanding rapidly in exports to British markets, the prospects of an increasing demand from the Dominion for Australian butter are not encouraging.

TARIFF REVISION

The higher customs duties imposed on certain tariff items by the Commonwealth early in September of last year are now before Parliament for discussion and ratification, and it is anticipated will be finally disposed of within the next ten days without much amendment. Some reduction in the rates on farm implements will be sought by representatives of country constituencies, but owing to the predominance of the protectionist element in the House it is unlikely that their efforts will meet with any degree of success.

CEREAL MARKET CONDITIONS

At the time of writing the grain market is very quiet, there being no demand for wheat from any quarter. Japan has ceased buying, and no business is offering from the United Kingdom or the Continent. The reason for the poor demand is attributed to American and Argentine shippers offering freely at prices lower than those prevailing in Australia, and as there is not a large quantity here available for export, holders are not anxious sellers at to-day's prices. The present Australian wheat price is about 6s. 1d. per bushel f.o.b., but it is difficult to obtain large parcels at that figure. Recent advices indicate that some fair-sized parcels of Canadian oats have been placed through brokers in Sydney, New South Wales, at satisfactory prices, with prospects of further orders for early shipment.

The dry weather conditions which prevailed for the past two or three months caused a large demand for both bran and pollard for stock feed, and the higher prices which were obtained for both these offals enabled millers to sell flour at a very low figure in relation to the present cost of wheat. Notwithstanding these conditions, there has been only a moderate overseas demand for Australian flour during the past few months. During the past week there was a good demand from Egypt and some good business has been placed there. It is anticipated that the useful rains recorded in the past few days will have a beneficial effect on the pasture lands throughout Australia, and in a few weeks' time when grass feed will be plentiful, the demand for bran and pollard will ease considerably and higher prices for flour will result. To-day's prices for flour are: hessian sacks of 150 pounds gross, £12 10s.; hessian bags of 101 pounds gross, £12 17s. 6d.; and calico bags of 49 pounds gross, £13 10s. per ton of 2,000 pounds f.o.b. steamer.

CLOSING WOOL SALES

The closing wool sales are quite firm and show an increase in prices of 5 per cent on February values. Nearly the whole of the season's clip has been sold, or will be sold by next month, when the sales finally close until next season's clip is available. The demand has been very general, Bradford, France, and Japan having bought freely, but the American demand has not been in usual volume. Owing to the operation of the new duties on woollen goods imported into Australia, an expansion of Australian woollen mills and a larger demand from that source is reported.

IMPORTS OF FLOUR INTO THE FRENCH WEST INDIES: A CORRECTION

With reference to the report on Opportunities in the French West Indies, by Mr. H. R. Poussette, which was published in *Commercial Intelligence Journal* No. 1156 (March 27, 1926), it should be noted that (page 405) the imports of flour into Martinique are wrongly stated, being given as approximately 60,000 to 70,000 bags a month instead of 60,000 to 70,000 bags a year.

VICTORIAN GOVERNMENT'S ELECTRICAL SCHEME

C. HARTLETT, OFFICE OF THE TRADE COMMISSIONER

Melbourne, March 16, 1926.—In sequence to the numerous reports from this office, which have appeared in previous numbers of the *Commercial Intelligence Journal*, relative to the large quantities of electrical equipment required by the Victorian Government in its scheme for utilizing the brown coal deposits at Morwell for electrical power, Canadian manufacturers are now advised that further tenders are being invited for the supply, testing, delivery and maintenance of transformers and spares.

The quantities and description of the transformers and spares required under this contract are shown hereunder:—

Specification No. 26/17

Item No.	Quantity	KVA.	Phase	No-load Voltage Ratio	
				High Voltage	Low Voltage
1	3	250	3	22,000	6600-3810
2	6	100	3	22,000	415-240
3	6	50	3	22,000	415-240
4	3	25	3	22,000	415-240
5	3	15	1	22,000	480-240

SPARES

One complete set of spare high and low voltage coils and the necessary insulation required for one leg of one transformer of each rating.

One complete set of spare high voltage bushings for one transformer of each rating.

One complete set of spare low voltage bushings for one transformer of each rating.

ALTERNATIVE TYPES AND MAKES

Tenderers who are in a position to offer alternative types and makes of plant (not necessarily complying with the requirements of this specification) are invited to do so. For each proposal submitted by them, tenderers shall furnish, on separate forms and schedules, full particulars similar to those asked for in the specification and schedules, and shall state all deviations of the plant from the requirements of this specification.

Date of Closing of Tenders.—Tenders—on the prescribed form—should be addressed as first class mail matter to the Secretary of the State Electricity Commission of Victoria, 22-32 William street, Melbourne, Australia, in time to reach their destination on or before June 28, 1926.

Charges for Specifications.—The specification covering the requirements and appended contract forms may be inspected at, and copies obtained from, the Department of Trade and Commerce, Ottawa (refer to file No. 26502). The Commission makes a charge of £1 1s. (\$5.11) for a set of three copies of the specification, and for each additional copy a charge of 5s. (\$1.22). The first fee is returnable upon receipt of a bona fide tender, but that for extra copies is not.

Deposits on Tenders Payable in Canada.—As in the case of previous specifications, to facilitate the interests of Canadian tenderers the Electricity Commission has arranged with the Department of Trade and Commerce, Ottawa, that the amount of the preliminary deposit required to be deposited with each tender can be made in Canada. The deposits are to be paid to the Accountant of the Department of Trade and Commerce, Ottawa, and his official receipt only need be forwarded with the tender to Melbourne. The sum required to be so deposited in this instance is £20 (\$97.33). The elimination of the more circuitous methods of deposits being sent to Australia, and possibly being returned to Canada, makes the payment in Canada a convenience alike to the Commission and the tenderers.

NEWFOUNDLAND'S PAPER INDUSTRY

Since 1924 there has been a rapid growth of the pulp and paper industry of Newfoundland, and for the present year the estimated daily production is set down as 700 tons, as compared with 550 tons in 1925 and 200 tons in 1924. From a secondary industry, pulp and paper will have grown this year to a major industry, rivalled only by the fisheries of the Dominion; in fact it is pointed out in the annual report of the Newfoundland Board of Trade, recently published, that the productive value of 700 tons of pulp and paper for 300 days is in the neighbourhood of \$12,600,000, as compared with about \$10,000,000 for the fisheries.

For generations Newfoundland has been prone to admit its dependence on the fisheries. It will be interesting to watch how the new paper industry will affect the future and general prosperity of the Dominion. Railway transportation plays an important part in connection with the paper industry, and it is essential that it be as efficient and yet as cheap as practicable. It is also of interest to note that during 1925 two companies have built and placed in operation three special ice-breaking steamers, about 9,000 tons deadweight each, to market their products, and that paper is now being shipped to the United States as well as to Great Britain.

It is reported that negotiations are in progress for the establishment of a third paper-making industry with head-quarters in the Gander Valley. Ample power is available at a very favourable development cost from the Gander river, and adequate supplies of wood are obtainable. It is not anticipated that the main work of construction will begin before the spring of 1927. The combination of cheap power development, abundant wood supplies, and favourable shipping location should make this enterprise most attractive, and should be a great step forward in the development of the natural resources of the Dominion.

For the year ended June 30, 1925, exports of paper from Newfoundland totalled 70,350 tons, as compared with 60,537 tons in 1923-24; while shipments of pulp totalled only 12,711 tons, as against 31,674 tons. The value of manufactures of paper exported amounted to \$6,272,886, and those of pulp to \$215,896.

PRODUCTION OF COD LIVER OIL IN NEWFOUNDLAND

The publicity that has been given to reports on the potent properties of Newfoundland cod liver oil has created a new demand for this product, and the quantity produced during 1925 was more than double that of the average annual quantity produced during the previous four years. No definite figures are available, but, according to the annual report of the Newfoundland Board of Trade, the quantity for 1925 was at least 150,000 gallons, which compares with 77,000 gallons for 1924.

Special efforts are now being directed to steam refining the oil from the livers without any exposure to the air, and with the new chilling machinery that has been installed, this process, it is said, will be far in advance of any similar process in Europe. This new machinery will also assist in utilizing the residue of the livers that is left after the oil has been pressed out; these pressings contain considerable vitamine properties, and they are in good demand as poultry food. With any reasonable price for oil, it should enable the refiners to reduce their cost of production. It is confidently anticipated that the work of enlarging and improving the cod liver oil industry will further progress.

TRADE COMMISSIONERS ON BUSINESS TOURS IN CANADA: NOTICE TO EXPORTERS

Mr. H. R. Pousette

Mr. H. R. Pousette, recently appointed Trade Commissioner to India and Ceylon, is at present on a business tour in the Dominion in the interests of Canadian trade not only with India and Ceylon but with his former territory in the British West Indies, which includes Trinidad, Barbados, and the Windward and Leeward Islands, as well as British Guiana, Porto Rico, and Venezuela. The following is the first part of his itinerary:—

Brockville	May 3.
Gananoque	May 4.
Kingston and Oshawa	May 5 and 6.
Toronto, Oakville and northern towns	May 7 to 25.
Hamilton	May 26 to 28.
Border Cities	May 31 to June 2.
London	June 3 and 4.
Stratford	June 7.
Guelph	June 8.
Preston and Galt	June 9 and 10.
Brantford, Paris and Woodstock	June 11 to 15.
St. Catharines, Welland and Niagara Falls	June 16 to 18.

Mr. A. B. Muddiman

Mr. A. B. Muddiman, formerly Canadian Trade Commissioner in Singapore, who is on his way to Rotterdam, is also making a business trip in the interests of Canadian trade with Straits Settlements, Siam, and the Dutch East Indies, as well as with Holland.

The following are the later dates in his itinerary:—

Montreal.. . . .	April 29 to May 13.
Quebec.. . . .	May 13 to 16.
Halifax.. . . .	May 17 to 19.
St. John.. . . .	May 20 to 22.

Canadian firms who desire to be brought in touch with either of these Commissioners, or to interview them, are requested to communicate with the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa.

COTTON GOODS MARKET IN KENYA COLONY

Cotton piece-goods figure as the most important item in the import trade of Kenya Colony, and during 1924 the value of this trade amounted to £1,486,116, of which it is estimated that fully 75 per cent represented goods imported for native consumption. Commenting on this trade, a recent Colonial Report points out that in comparison with the total imports the relative importance of cotton piece-goods shows some signs of diminution, the proportion during 1924 being only 23 per cent, as compared with 30 per cent in the previous year. This, however, is an indication of the broader basis upon which the trade of the Colony now rests.

In addition to cotton piece-goods there is a comparatively small but rapidly increasing importation of other cotton manufactures—i.e. cotton thread, yarns, curtains, handkerchiefs, etc., which were valued in 1924 at £60,197, as compared with £41,417 in 1923. The total importation of cotton goods during 1924 amounted to £1,546,313, as compared with £1,342,276 in the previous year.

It is estimated that Kenya Colony consumed cotton goods during 1924 to the value of £741,296, and Uganda to the value of £805,017. Although Japan continues to maintain her progress in the unbleached piece-goods market, Great Britain has advanced as a source of supply of other varieties. In 1923 Japan provided 56 per cent of imported unbleached piece-goods, and 64 per cent in 1924; while Great Britain supplied 27 per cent of the total imports of all classes of cotton piece-goods in 1923 and 33 per cent in 1924.

PERU AS A MARKET FOR CANADIAN PRODUCTS

TRADE COMMISSIONER E. L. MCCOLL

[Subjoined is the second of a series of reports on Trade Conditions and Opportunities in Peru, which has been prepared by Mr. McColl after a recent visit to that country in which he investigated the openings for Canadian trade. The first, on Wheat and Flour, was published in our last issue.]

Purchasing Capacity

Ottawa, April 24, 1926.—The yearly average value of Peruvian imports for the five-year period 1909-13 was \$20,757,000; for the five-year period 1920-24 it had increased to \$62,223,000. The year 1925, with imports of \$68,301,000, shows a substantial gain over the last five-year average. The general increase in imports that has taken place in the last half century has been accompanied by an equally important rise in exports, resulting in a continuously favourable balance, so that the country's foreign trade is to-day on a sound and progressive basis. Peru is a country with an assured future, hastened by the rapidity with which her resources are being developed and with which her trade is expanding. Peruvians are a wide-awake people of high commercial morality. The country offers sufficient possibilities to Canadian exporters to merit a personal visit from the principals of many Canadian firms. The director of (say) a lumber company, a paper manufacturer, a food products or an iron and steel exporter who takes the trouble to pay a visit to a South American market personally, provided he is a man who can direct the policy of his company even from South America, can, while he is on the spot, get business, when a junior would require to return to Canada without it.

The Royal Bank of Canada has recently gone to Peru in search of profitable adventure with a genuine competitive spirit that is well worth emulating. Four branches have been established in different centres of the country. While these branches will welcome Canadian business, and will do everything possible on behalf of Canadian exporters, it can easily be understood that they do not depend to the slightest degree upon Canadian trade to pay their way. These branches have settled down as established concerns amongst the Peruvians. They have become Peruvian institutions, building up a native clientèle about them, and at the same time assisting in the development of the country. Just as Canadian exporters have products to sell, so have these branches credit and service. They entered a most competitive field where older banks have long been established, and they did not turn back but have stayed and prospered.

Last year Peru bought goods valued at \$68,301,000. This market is not all open to Canadian producers. British investments in Peru approximate \$125,000,000; those of the United States almost \$100,000,000. Other countries probably bring the total foreign investments to \$300,000,000. This is a formidable sum.

Foreign capital has an influence on imports. It exercises a preference as to where goods should be bought. There are many foreign colonies in Peru, the members of which retain national tastes for articles to which they have been accustomed in their home land. The majority of the large importers are foreigners who are patriotically prejudiced in favour of goods of the country of their birth. Nevertheless, in spite of these natural obstacles, there is a large national consumption, a neutral market where Canadian producers can compete on equality with all comers. There are many manufacturers in Canada who can make just as great a success of their South American business as the Royal Bank of Canada by entering the market determined to win, not expecting immediate profits but investing in the future if necessary by selling at cost, if such action will result in introducing their products to South Americans.

Peru is a new country; therefore it produces and exports raw and buys manufactured products. It is a tropical country and therefore it requires many food products and woods that may be derived from the Dominion. Canadian exporters direct much energy and attention towards selling their finished goods in Europe, where intensive manufacture has obtained for centuries, and where, only after the most careful sifting of opportunities, is it found possible to place here and there a manufactured article. It is not the argument of the writer that less attention should be paid to Europe, but rather that a strong effort should be extended towards South America where, with few exceptions, manufacture is in its infancy, where the market is neutral, and where protective tariffs apply equally to all competitors.

Throughout Latin South America, with the exception of Brazil, Spanish is the language employed. Even merchant houses whose principals are British are staffed by natives who do not speak English. As an example of this feature of South American commercial life, a large departmental store in Buenos Aires is typical. Samples would be shown and quotations given on behalf of Canadian manufacturers. The manager was British, and on many occasions when the chief would call in the departmental head concerned, who was always a native, to consult him on the competitive value of the article submitted, the conversation was carried on in Spanish. If there was a letter from the Canadian company involved in the conversation giving details, it had to be translated into Spanish. It is advisable, with the exception above noted, to have letters for South America written in Spanish.

Food Products

Food products go to make up the most important classification in the total imports of foreign goods into Peru. During 1922 they amounted in value to \$9,550,000. Some 35 per cent were imported from the United States; Argentina and Hong Kong supplied 17 per cent and 12 per cent respectively. Between 1922 and 1924, both years inclusive, imports had increased 51 per cent to a value of \$14,481,000 for the latter year, the three principal countries of consignment being the United States, Chile, and Hong Kong, with 24 per cent, 23 per cent, and 16 per cent respectively. Canada's share, which consisted chiefly of wheat, amounted to 3 per cent. Food products valued at \$10,829,000 were imported during the first nine months of 1925. Wheat is the most important article shown, but figures are not available for 1925. The quantity imported in 1924 amounted to 95,830 metric tons valued at \$4,630,000.

Lard.—The second item of importance in the food products classification is lard. Imports for 1922 were 4,259 tons valued at \$1,102,000, and for 1924, 7,000 tons valued at \$1,945,232. The United States in the latter year was the principal source of supply with 6,701 tons valued at \$1,882,000, and the other Hong Kong with 298 tons valued at \$63,000. For the first nine months of 1925 the quantity imported amounted to 3,936 tons valued at \$1,490,000. During the Canadian fiscal year 1924-25, 4,030 cwt. valued at \$64,550 were exported to Peru.

DAIRY PRODUCTS

Although Peru raises sufficient live stock to supply home meat requirements, conditions are not suitable for the production of dairy products on a scale large enough to provide for all sections of the country. Both butter and cheese are produced in the highlands in a small, scattered, and unorganized way and only for local consumption. Lack of speedy modern transportation and climatic conditions are not conducive to the growth of this industry, and so a large portion of the lowlands, which is tropical and includes the coast, must depend on imported products. Imports of tinned milk, cheese, and butter in 1922 amounted to 3,182 tons valued at \$941,000; in 1924, to 4,309 tons valued at \$1,240,000; and in 1925 (based on the first nine months' figures), to over \$1,600,000.

Butter.—Butter imported during 1922 amounted to 471 tons with a value of \$360,000. The United States was first as a source of supply with 46 per cent of the trade, Argentina second with 21 per cent, and Uruguay third with 21 per cent. During 1924 Peruvian purchases amounted to 823 tons valued at \$500,000, the principal countries of origin with percentages supplied being as follows: Argentina, 34 per cent; United States, 31 per cent; and Uruguay, 14 per cent. Statistics for the first nine months of 1925 show imports of 617 tons valued at \$425,000.

Butter must be packed in hermetically sealed $\frac{1}{2}$ - and 1-pound tins. It must be shipped in cold storage and sent when fresh. As quantities of what has appeared to be at one time first-class butter have arrived at times either rancid or turned to oil, it is believed by importers that fresh butter in tins has a short life and that only newly tinned butter should be exported. Recent statistics do not show that any butter has been sent from Canada to Peru.

Tinned Milk.—During the first nine months of 1925 the quantity of tinned milk imported into Peru amounted to 3,530 tons with a value of \$627,000. This trade has grown from 2,565 tons in 1922, the United States supplying over 90 per cent of the milk imported in that year. Canadian statistics show that during the fiscal year 1924-25, 6,904 cwt. of tinned milk valued at \$87,732 were exported to Peru.

Cheese.—Although the consumption of imported cheese in Peru is small compared with that of milk and butter, yet it should not be overlooked that it is growing rapidly. Canadian producers should obtain a better share of the market, considering the fact that Canadian cheese is well thought of in South America. During 1922, 146 tons were imported, chiefly from neighbouring South American countries, the United States supplying 10 per cent. During 1924 imports had grown to 267 tons, the three leading sources of supply being the United States (27 per cent), Argentina (18 per cent), and Holland (15 per cent). For the first nine months of 1925, 235 tons were imported valued at \$132,000. All cheese arrives in cold storage, and some in the form of small rectangular loaves of various weights is protected by oiled or thin metal paper and cased in light wooden boxes.

*Summary of Dairy Products Imported into Peru, 1922 to 1925**

	1922	1923	1924	1925*
MilkTons	2,565	3,275	3,219	4,707
\$	500,000	535,000	602,000	836,000
ButterTons	471	606	823	823
\$	360,000	373,000	500,000	567,000
CheeseTons	146	237	267	313
\$	81,000	133,000	138,000	176,000
TotalTons	3,182	4,118	4,309	5,843
\$	941,000	1,041,000	1,240,000	1,579,000

* Based on first 9 months.

FISH

Peruvian coastal waters provide an abundant supply of fresh fish of many varieties. The pejerrey is probably the most popular for the table as it is small, delicate, and of very fine flavour. There is also a good supply of a variety of herring and cod. Shell fish and anchovies are abundant, the most popular of the former for the table being the conchita and the cameron. The fishermen have no organized industry and are poorly equipped with home-made nets and hooks and work in small independent groups. Owing to lack of speedy transportation, the supply of fresh fish is confined to a very limited radius. Considerable quantities are, however, salted and sent into the interior.

There is a growing demand for imported tinned and dried fish, consisting principally of sardines, salmon, and cod. Some 1,086 tons of these three varieties were imported during 1924, and calculating on the figures given for the first nine

months of 1925 it is probable that imports for this latter year will reach 1,200 tons, of which sardines will account for 50 per cent of the total.

Salmon.—During 1923, 256 tons of salmon went into Peru. The United States and Canada supplied 80 per cent and 19 per cent respectively of the total. The following year imports had grown to 381 tons with a stated value of \$67,000, when the percentage credited to the United States increased to 87 per cent while that of Canada's fell to 12 per cent. Purchases for the first nine months of 1925 amounted to 242 tons.

Sardines.—Imports of sardines in 1922 amounted to 302 tons, the United States supplying 85 per cent. During 1924, 545 tons valued at \$112,000 were imported. The principal sources of supply were the United States (65 per cent), Spain (26 per cent), and Norway (6 per cent). Based on the figures for the first nine months of 1925, imports for the year will probably exceed 700 tons. The market for sardines is a complicated and conservative one; some shops prefer to handle only established Spanish or Norwegian brands, while others cater to the American variety from California which is put up in a large oval tin holding 15 ounces net weight. This tin is quite different from the well-known type used by Spanish and Norwegian packers, but owing to persistent efforts United States shippers now supply over 65 per cent of the market. Canadian sardines are competitive in price and quality, but owing to the fact that their marks are not known, exporters will have to exercise patience and not expect a great deal of success at first. With persistence, there is no reason why a considerable share of the market should not be obtained.

Dried Fish.—The consumption of dried fish is growing slowly. Some 117 tons were imported in 1923, 160 tons during 1924, and (based on the figures for the first nine months) 164 tons during 1925. The value for 1924 amounted to \$45,000, Norway supplying 70 per cent and Japan and Hong Kong each 8 per cent. Cod is the principal kind supplied and 80 per cent of it is boneless. It is shipped in tins hermetically sealed to protect it from the moist tropical atmosphere. The writer was shown hermetically sealed tins which had corroded and allowed the air to enter and deteriorate the fish. The greatest care must be exercised by exporters in the sealing of tins as well as in following any other instructions which importers may give.

FRUITS

Nearly all northern as well as tropical fruits are grown in Peru according to climate or elevation, but no attempt is made to improve the variety by selection or cultivation. Almost all types show distinct degeneration, and are therefore much inferior to those of other countries where scientific methods have been followed. Owing to the difficulty of distribution and the high cost of freights, fruits are grown in the several localities only sufficient to supply the needs of the immediate neighbourhood. As all the large towns are on the coast in the vicinity of which fruit cannot be grown, importation has to be resorted to to supply the needs of the people of these populous centres. Imported fruit comes almost entirely from Ecuador and California, the former supplying about 80 per cent and the latter 16 per cent. In 1922 fresh fruit imports amounted to 792 tons; in 1924 to 1932 tons; and for the first nine months of 1925 to 1,114 tons (valued at \$100,000). Preserved fruits imported in 1924 amounted to 311 tons valued at \$61,000, of which 50 per cent was supplied by Chile and 45 per cent by the United States.

MISCELLANEOUS FOOD PRODUCTS

Infants' and invalids' prepared foods to the value of \$29,000 were imported in 1924, principally from Belgium and the United States. France and Great Britain each furnished about 10 per cent. Some 250 tons of refined sugar were brought in, almost all from the United States.

There is a growing market for malt, of which 1,778 tons were imported in the year stated, 46 per cent from Germany, 36 per cent from the United States, and 18 per cent from Chile. Estimating from the figures for the first nine months of 1925, imports of malt will probably exceed 3,000 tons for the year. As Canada is successfully competing in Brazil, Argentina, and other countries of South America, there is no reason why Canadian exporters should not offer effective competition in Peru.

Tinned vegetables form a substantial item in the list of imports, the total quantity for 1924 being 287 tons valued at \$60,000. In that year the United States furnished 40 per cent, Chile 30 per cent, and Hong Kong 9 per cent. Based on the returns for the first nine months of the year, imports for 1925 will probably exceed 330 tons.

CANADIAN WHEAT IN MEXICO

TRADE COMMISSIONER C. NOEL WILDE

Mexico City, March 5, 1926.—From time to time reports have appeared in the *Commercial Intelligence Journal* drawing attention to Mexico as a prospective export market for Canadian wheat. (See No. 1057, May 3, 1924; and 1104, March 28, 1925.) More particularly, an effort was made during the past season to induce Mexican millers, on the one hand, to purchase a portion of their requirements from Canadian sources, and, on the other, to induce a number of large exporters to investigate the possibilities in detail.

In the spring of 1925 it was estimated that the requirements of the republic would amount to between 50,000 and 100,000 tons, in addition to the quantities provided by the local harvests. Such estimates, however, are little better than guesswork, as the facilities for collecting statistics in Mexico are of a somewhat primitive nature; in particular, growers are generally unwilling to provide details of their operations, and either refuse to give information or understate their prospective crops. For this reason the actual requirements of the country were really unknown; it became evident, however, in view of the world situation, that the time was favourable for the introduction of Canadian wheat. Local millers were placed in touch, through agents, with Canadian sources of supply, and as a result the first import orders were placed for Canadian wheat through United States houses operating from New Orleans, Fort Worth, and Kansas City. The total of these orders amounted to from 75,000 to 100,000 bushels, and was sufficient to give an indication of quality to those millers who had not had experience of Canadian wheat in the past (i.e. in the years 1909 and 1910, when wheat was imported from the Dominion in substantial quantities).

COMPETITIVE SOURCES OF SUPPLY

The rapid rise in quotations which took place in the months of November and December, 1925, imposed a temporary check on orders being placed in Canada and led to efforts being made to find a cheaper grade. This led to a search for new sources of supply, and ultimately resulted in shipments of considerable size being made from Hamburg (Russian and German wheat) and the Argentine Republic (one cargo lot of 4,000 tons from Buenos Aires). Some purchases were also made of inferior grades from the United States, most of these consisting largely of Durum wheat, which was found to be quite unsuitable to the Mexican market. Local supplies, which had hitherto been held in storage for higher prices, were also thrown on the market.

Prices having declined during the months of January and February, 1926, and shipments from other sources having been found unsatisfactory, it was found possible to place further orders in the Dominion. As a result it would appear that at least half, and probably two-thirds, of the import requirements of the republic have been met from Canada during the past season, the total receipts from this source being estimated at upwards of 20,000 tons, of a delivered value of nearly one and a half million dollars, Canadian currency.

FREIGHT SITUATION

The first shipments of Canadian wheat were made, as above indicated, by United States brokers; later, consignments arrived direct from Canadian exporters via New York, the ports of delivery being Veracruz and Tampico. Efforts were also made to ship via Chicago to Cairo, Ill., and thence down the Mississippi river by barge to New Orleans; early in the season, however, this was found to be impracticable, principally on account of cheap freight rates being quoted via New York—a condition which had not previously existed. Another route which was investigated was from Vancouver to Manzanillo, but the inadequate facilities for handling cargo at the latter port, and the heavy charges incident to transshipment, made this impracticable.

An interesting feature of the freight situation, however, is found in the fact that it has become economically feasible to route shipments in cargo lots from the Pacific Coast, through the Panama Canal, to Veracruz, Tampico, and other Gulf ports; in fact, one buyer states that quotations by this route were from 5 to 10 cents a bushel cheaper than those which he received for delivery from Atlantic ports. For this reason it is claimed that the western route is destined to become of greater importance, not only for the shipment of wheat, but also of timber and other products of the Pacific Coast of Canada.

The actual cost of delivery to Mexican ports varies considerably, but the following items represent a fair average:—

Elevator charges at Canadian seaport, $1\frac{1}{2}$ cents to 3 cents a bushel.

Sacking charges, $1\frac{1}{2}$ to 3 cents a bushel.

Cost of sacks, 7 to 8 cents a bushel.

Freight varies, but may be estimated as from \$6 to \$10 per ton.

Insurance, $\frac{1}{4}$ of 1 per cent.

Consular fee, 5 per cent of invoice value.

The total of these charges would amount to between 13 and 21 cents per bushel.

An important point to be borne in mind is that all wheat shipments to Mexico must be sacked when routed by water. It has been found that the most satisfactory container is the 12-ounce 3-bushel jute sack, and the millers prefer that these should be new, although second-hand sacks are used occasionally; the price of these, during the past season, has averaged 21 cents to 22 cents each, delivered at Canadian or New York elevators.

GRADES

With regard to the grades of wheat required for Mexico, buyers at first demanded No. 1 exclusively; after an examination of samples, however, they found numbers 2 and 3 satisfactory for their purposes, and ultimately large orders were placed for equal quantities of Nos. 2, 3 and 4. This last-named combination is likely to become increasingly popular, more especially for mixing with the local wheat for the purpose of improving native flours. It should be mentioned that the consumption of flour in Mexico is confined, to the extent of 99 per cent, to the bakery trade, there being no family consumption of flour as is the case in Canada and other countries; thus the requirements of the bakers are for flour that will make good bread.

On the whole, it would appear that Mexico offers an increasing market for Canadian wheat whenever imports are necessary, and there is no doubt whatever that orders placed during the past season have convinced the majority of the millers that it is superior to anything which has hitherto been obtainable from other sources.

The import requirements vary greatly from year to year, but they seldom fall below a million bushels, and may exceed three million; this quantity, while not large in comparison to the total Canadian crop, is sufficient to warrant attention on the part of exporters who are looking for new and favourable outlets in foreign countries.

ECONOMIC CONDITIONS IN THE NETHERLANDS

TRADE COMMISSIONER FREDERICK H. PALMER

Rotterdam, April 12, 1926.—According to generally accepted indices, the economic situation in the Netherlands is sound. Stock exchange values of Dutch securities show little tendency to fluctuate to any considerable extent; no difficulty is being experienced by the Government to provide for a balanced budget or to maintain the gold standard; and reductions in taxation are possible. Unfortunately business conditions do not altogether reflect the satisfactory economic situation. Goods are not moving freely with the result that credit has to be extended and this makes the position of importers a difficult one.

Unemployment is about ten per cent less than it was a year ago and it is slightly better than a month ago. Orders for several ships which have been placed with Dutch yards should reduce the number of unemployed considerably, and several new building contracts recently signed should absorb hundreds more.

The future of agriculture remains obscure pending the development of buying power in Germany in sufficient volume to offset the import duties levied last year. Spring is well advanced, but the month of March was too dry—in fact the driest month of March since 1910—and a short first hay crop may be expected. Despite a shortage of natural fodder, milk prices began to decline, while distributors of artificial cattle foods such as oilcake, in view of the shortage of pasture, express disappointment at the absence of demand.

Sugar-beet factories announce their terms for 1926 as 16 florins per 1,000 kg. net for beets having a sugar content of 17 per cent, one florin to be deducted for every per cent the sugar content is below 17. In 1925 the price was 19 florins for sugar content of $16\frac{1}{2}$ to $17\frac{1}{2}$ per cent.

Dutch coal mines continue to operate at practically full capacity although prices are weak. The Dutch railways have placed orders for 600 additional coal cars, 400 of which will be built in Holland and 200 in Germany.

Cost of living indices of the Central Bureau of Statistics for the month of March show that with 1913 as a base of 100, the cost of living indices for 48 general articles and 28 foodstuffs during March were both down to 145 each, as compared with 149 and 152 for each in February, 153 and 156 in January, and 155 and 156 in March 1925.

FINANCIAL

Failures continue to occur at a high rate among small business houses. During the first quarter 1,078 failures were reported, a slight improvement over the 1,139 bankruptcies during the first three months of last year.

The stability of the general situation during March is seen in the statement of Stock Exchange values prepared by the financial editor of the *Telegraaf*. The month end average quotations of 169 standard Dutch securities only declined from 225.8 to 225.3. Industrials, trading companies, and tea producers were chiefly responsible for this small decline.

During the first quarter of this year 184,000,000 florins of securities were offered to Dutch investors, of which 93,000,000 florins represented new capital and 90,600,000 florins conversion loans. The figures last year were 61,500,000 florins and 93,700,000 florins respectively. The railways and larger municipalities were responsible for the bulk of the conversion loans, interest rates dropping from $5\frac{1}{2}$ to $4\frac{1}{2}$ per cent.

According to the month-end report of the Nederlandsche Bank (State Bank of Issue), the decline in volume of foreign paper offered for discount had been arrested and domestic paper discounted showed a slight increase over the previous week. The note circulation at the end of the first quarter, just under

850,000,000 florins, was remarkably low and adequately reflects prevailing conditions. Money rates during March advanced somewhat. Import duties for the month of February, under the influence of the increased tariff, rose from 2,981,481 florins to 4,859,369 florins.

FOREIGN TRADE

During the first quarter of the year 3,333 vessels, a total tonnage of 5,058,638 entered the New Waterway as compared with 3,047 ships totalling 4,425,395 tons in the same period of 1925.

Imports during February totalled 197,469,750 florins—the highest value in that month for some years—against 196,852,738 florins in the corresponding month of last year. For the first time since the new German Tariff went into effect in October last, export returns have shown an increase, 129,745,854 florins in February as against 121,579,411 florins in January.

THE UTRECHT FAIR CHANGING IN CHARACTER

TRADE COMMISSIONER FREDERICK H. PALMER

Rotterdam, April 14, 1926.—The original idea of the organizers of the Utrecht Fair was to create a truly national trade fair, but the immediate post-war situation forced them to make it international, a smaller Leipzig, and the absence of restrictions in travelling, particularly for salesmen, have to some extent obviated the necessity of buyers visiting trade fairs. The Utrecht Fair was never a really restricted "trade fair" since the general public was always admitted and to visit Utrecht during the fair was a semi-annual trip for many Hollanders.

The 1926 Spring Fair at Utrecht was therefore of not so much importance as a trade sample fair as it was of value to importers and manufacturers in providing an opportunity to exhibitors to show to the general public the classes, character, and possibilities of the merchandise displayed.

The increased value of the fair as a medium of introduction to Dutch consumers is reflected in the number of firms exhibiting: 933 as against 764 in the fair of September, 1925.

An important part of the fair was devoted to fancy goods of all kinds, principally of a cheap nature, such as perfumes, bric-a-brac, etc., of which a large section was exclusively French. During the exhibition a delegation of French business men visited Holland and the publicity given to the "mission" in Holland undoubtedly attracted attention to the exhibit. The South African society also had a fairly large exhibit of fruits, which resulted in an order for a refrigerated ship-load which is expected to arrive shortly in Rotterdam for North European consumption. The absence of foodstuffs—staple lines for instance—was particularly noticeable, but those who did exhibit such products seem to have done well. Samples were widely distributed showing the important part not-in-the-trade visitors played in the success of the fair. This tendency to cater more to the consumer than to the trade has not yet taken permanent form, and Canadian exporters of staple lines should not assume that the character of the Utrecht Fair has changed to parallel that of the Canadian National Exhibition at Toronto, but its value as a medium of introducing to the Dutch public a new line is certainly increasing. A display at the Utrecht fairs however, should only be undertaken if the necessary arrangements can be made, to consolidate the ground gained there by effective advertising.

JAPANESE IMPORTATIONS IN ANTICIPATION OF TARIFF REVISION

TRADE COMMISSIONER JAMES A. LANGLEY

Kobe, March 20, 1926.—During January and February 383 foreign freight vessels reached Yokohama with 862,700 tons of cargo, of which 399,300 tons arrived in January and 463,400 tons in February. When compared with the same period in 1925, there was an increase of 56 in the number of vessels and the amount of cargo increased by 23 per cent. Of the goods imported, wheat increased by 52,204 tons and timber by 86,935 tons. Iron, mineral oil, sugar, oil-cake, automobiles and parts thereof, and pulp, etc., also showed increases. On the other hand, peas and beans, eggs, phosphorites, raw cotton, building materials, kerosene oil, wool, coal and woollen fabrics, registered decreases.

JAPANESE LUMBER IMPORTS SHOW DECLINE

TRADE COMMISSIONER JAMES A. LANGLEY

Kobe, March 18, 1926.—In 1924 lumber imports stood fourth in the list of Japan's staple foreign purchases, but in 1925 they fell to seventh place. In 1924 they aggregated 1,356,290 M board feet valued at 129,060,000 yen, and in 1925 907,754 M board feet valued at something over 76,000,000 yen; a decline of 34 per cent in quantity and 60 per cent in value. Douglas fir, cedar, spruce and hemlock are credited with 699,940,688 yen in the 1925 statistics.

Roughly speaking, Japan imported during 1925 about a fifth of the lumber brought into use for construction purposes and of this the largest quantity came from the Pacific Coast of the United States, followed by shipments from Canada and the Siberian Maritime Province (including Saghalien).

The following import figures have just been issued by the Forestry Bureau of the Department of Agriculture and Forestry, Tokyo:—

Lumber Imports by Countries of Origin

(B.M., 000's omitted)

Country of Origin	1921	1922	1923	1924	1925
North America	306,771	737,293	750,910	1,137,556	784,062
China and Kwantung	20,196	30,993	31,144	11,722	187
Maritime Province and Saghalien..	57,323	226,130	152,305	150,997	116,512
Other sources.. . . .	12	327	4,060	6,015	6,993
	<hr/> 384,307	<hr/> 994,743	<hr/> 938,419	<hr/> 1,356,290	<hr/> 907,754

Lumber Imports by Species

(B.M., 000's omitted)

	1923	1924	1925
Logwood	470,684	452,603	406,163
Large and medium squares	223,796	397,441	289,178
Baby squares and boards	190,589	382,950	138,823
Others	53,350	93,296	73,590
	<hr/> 938,419	<hr/> 1,356,290	<hr/> 907,754

One reason for the sharp decline in 1925 is the fact that the construction of temporary buildings in the areas of Tokyo and Yokohama, devastated by the earthquake, was about completed in the early part of 1925, and permanent reconstruction has been hampered by the prevailing industrial depression in Japan. While the value of the yen showed some signs of improvement, very little permanent reconstruction work was undertaken. A heavy yield of raw silk with a strong demand from New York, bumper cereal crops, and the report that permanent bridge construction was about to be undertaken, caused

a minor upward movement of shares on the stock exchange, and a feeling of optimism in the lumber markets resulted in large orders being placed for lumber in November. Delayed shipments and the usual Japanese New Year's holidays threw many large December consignments upon the January 1926 market. Large January deliveries also arrived and caused an over-supply with consequently lower prices. Added to this condition was the steady decline in ocean freights and the fluctuations in the yen-dollar exchange rate so that prices are now 10 to 15 per cent below those prevailing at the end of December.

At the present time the market is dull with dealers looking for lower prices from their sources of supply. They are also holding off making future commitments until the market becomes steady and the freight and exchange rates show some signs of stability. Stocks held are not excessive, although commitments have been made for requirements until about the end of April.

Beginning with the month of May, lumber will begin to arrive from Saghalien, the Siberian Maritime Province and Hokkaido. The Kobe Shipping Exchange estimate, based on charters already signed, that during 1926 shipments from these districts to main Island ports will be 10 per cent larger than those for 1925, amounting in all to 147,600 M board feet. This estimate includes 120,000 M feet from Saghalien, 12,000 M feet from the provinces of Kitami and Tashio in Hokkaido, 3,600 M feet from Funkwa Bay and the Hidaka, Takachi and Nemuro coast of Hokkaido, and 12,000 M from the Siberian Maritime Province.

JAPANESE WHEAT IMPORTS INCREASE

TRADE COMMISSIONER JAMES A. LANGLEY

Kobe, March 28, 1926.—Since last autumn Japanese flour mills have been buying large quantities of Australian and Canadian wheat, and this is now being rushed into the country in anticipation of the increased import duty on wheat, which, effective on March 29, has been raised 77 sen to 1.50 yen per 100 kin, or 73 sen per 100 kin on the existing rate, which is equivalent to $36\frac{1}{2}$ sen per bag of wheat flour.

According to a report issued by the Yokohama Customs, wheat imports reached 114,200 tons for January and February, an increase of 52,200 tons over the figures for the same period in 1925. The imports for March are expected to be nearly four times as heavy as those for the same month last year.

The total quantity of foreign wheat purchased since the opening of the new season for shipment from August 1925 to April 1926 has reached 550,000 tons. Up to the end of February 343,000 tons had reached Japan. Canada (to the extent of 250,000 tons), Australia (200,000 tons), and the United States (100,000 tons) are the sources of supply. The largest part of this amount is for the account of the Nippon, Nisshin and Matsumoto flour mills, the first-named having purchased 265,000 tons, the second 205,000 tons, and the third 50,000 tons, making the total purchases of these three mills about 500,000 tons.

TELEGRAPHIC COMMUNICATION WITH MEXICO

Writing under date April 16, 1926, the Trade Commissioner in Mexico City advises that telegraphic night letters will now be accepted for transmission between Canadian and Mexican points on the usual conditions. No arrangements, however, have yet been made for week-end letters.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Czecho-Slovakia Requires a Certificate of Origin for Flour, Grain, etc.

According to a cablegram received from Mr. L. D. Wilgress, Canadian Government Trade Commissioner at Hamburg, Czecho-Slovakia requires a certificate of origin for imported flour. It appears that this requirement extends also to various kinds of grain and milled products and the certificate requires consular visé. In this connection, the Acting Consul General of Czecho-Slovakia, Montreal, has written the Boards of Trade in that city and in Toronto, Winnipeg, and Vancouver, that, beginning from April 21, the Czecho-Slovak Customs authorities will permit the import from Canada of wheat, rye, barley, oats, maize, buckwheat, millet, malt, beans, peas, lentils, vetch, lupine, flour, and milled products from grains and pulse only if the consignments are accompanied by a certificate of origin issued by the Boards of Trade at Montreal, Toronto, Winnipeg, and Vancouver, and the Chambre de Commerce at Montreal.

The certificates must be provided with a visé of the Czecho-Slovak Consulate General in Montreal. Copies of the form to be used in this connection are sent to the Boards of Trade mentioned. The consular fee for viséing the required certificate is \$3 plus postage.

During the transition period the only consignments which can be admitted without certificates are those of which the Bills of Lading, etc., sufficiently prove that the merchandise was dispatched before April 16, 1926, the day this regulation was published.

This arrangement does not affect the licensing practice already in force whereby the Ministry of Commerce—Section for the Regulation of Imports and Exports—has the right at any time to refuse or grant permission for the importation of the products described above from any country.

Japanese Anti-Dumping Law

TRADE COMMISSIONER JAMES A. LANGLEY

Kobe, March 27, 1926.—In the Supplementary Budget for the fiscal year 1926-27, the Japanese Government has asked the Diet for the approval of an appropriation of 12,825 yen as the initial cost of the establishment of an Anti-Dumping Investigation Commission. This commission is empowered to deal with all matters concerning the prevention of the dumping of foreign goods which act to the detriment of domestic industries. Concurrently with the putting into operation of the new tariff on March 29, the anti-dumping law is to be promulgated by an Imperial Ordinance, and become immediately effective.

There is an anti-dumping law now on the statute books, but it has never been put into operation. It is anticipated that the revised law, details of which are not yet published, will provide for the prohibition of the importation of those commodities sold in Japan at below production cost or fair market price in the country of origin, or when the industry producing these goods is receiving a Government or State subsidy, or when they are sold below cost as a result of trade competition.

Competition by foreign firms in iron and steel, dyestuffs, sulphate of ammonia, soda ash and pulp will probably be the first subjects of inquiry by the Anti-Dumping Commission.

Dyestuffs Importation into Japan

According to the Imperial Ordinance governing the importation of dyestuffs, it is necessary for the importer to secure a license (good for three months) from the Minister of Agriculture and Commerce, for all coal tar dyestuffs brought into Japan, and all chemical products produced from the sediment of coal tar (except medicine and carbolic acid) provided this is not contrary to any existing

treaties.* In such cases importation is permitted upon submission of a declaration sworn to before a Japanese Consular official in the country of origin of the shipment, or in the event of there being no Japanese Government representative stationed in such country, then the declaration may be sworn to before Customs or other Government Officials, or the Chamber of Commerce. This declaration must state: name and address of manufacturer; country of origin; name of commodity (trade and technical); quantity shipped. In addition to which the importer in Japan must advise the Minister of Agriculture and Commerce: name of commodity (trade and technical); quantity to be imported and the quality (density); selling price in Japan including duty; name of manufacturer and country of origin.

Import of Foxes into Denmark

The Canadian Government Trade Commissioner at Hamburg is informed by the Commercial Secretary, British Legation, Copenhagen, that the Danish quarantine rules require (1) that the animals should receive a certificate of health at the port of entry; (2) segregation, immediately on arrival, for a period of six months in a place authorized by the chief district veterinary official; and (3) examination once a month during that period by a veterinary surgeon of the veterinary police.

The Danish Customs Department, although hesitating to give a definite ruling, have stated that foxes imported for breeding for the production of fur would probably receive the same treatment as other live animals which would be entered duty free.

Tariff Changes in Mexico

Writing under date March 26, 1926, Mr. C. Noel Wilde, Canadian Trade Commissioner in Mexico, reports that a large number of changes have recently been made in the Mexican Customs Tariff. These refer particularly to the following commodities: leather picking bands; cork (manufactures of); stoves and heaters (iron); electric stoves and heaters; cement sheeting; counterpanes of cotton, linen, and wool; shawls of ditto; woollen piece goods; textiles of animal hair; textiles of vegetable bristles; chlorine; paper tubes and cones for textile machinery; caps; washstands of wood and metal or wood and glass.

The following items may be of interest to Canadian exporters:—

- 230 Stoves and heaters, n.o.s., when iron forms the principal part of the weight, of all kinds, over 25 kg. (55 lbs.) in weight, 12 centavos per gross kg., equal to 2.75 cents per lb.
- 236-A Ditto up to 25 kg. in weight, 25 centavos per kg. legal, equal to 5.67 c. per lb.
- 236-B Ditto, when any metal other than iron forms the principal part of the weight (dutiable under "manufactures" of whatever metal the article consists).
- 230-C Electric stoves, ranges and heaters of all kinds, when the net weight of each article exceeds 20 kg. (40 lbs.), 15 centavos per kg. legal, equal to 3.40 centavos per lb.
- 230-D Ditto up to 20 kg. (44 lbs.) in weight, 30 centavos per kg. legal, equal to 6.81 c. per lb.
- 533-A Chlorine, 1 centavo per gross kg., equal to 0.23 c. per lb.

Details of other items may be obtained on application to the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa.

(It is understood that, in addition to the ordinary duties, there is a surtax on each of the above items amounting to 12 per cent of the duty.)

Witnessing New Zealand Customs Forms

With reference to revised New Zealand customs regulations which went into force as from April 1, 1926 (see F.T.D. Leaflet No. 52, available on application to Department of Trade and Commerce, Ottawa), the question arose as to the witnessing of the signature to the certificate of value and of origin. In this connection, the Controller of Customs at Wellington has advised Mr. C. M. Croft, Canadian Trade Commissioner, that the certificates in question need not be witnessed by a justice of the peace or a notary public, but may be witnessed by an official of the firm concerned.

* Dyestuffs from Canada are allowed entry without a license on the submission of the above declaration.

CONDITIONS IN CHILI IN 1925

Mr. W. F. Vaughan Scott, British Commercial Secretary in Santiago, in his last report on Chili states that the extraordinary development in the last two years in motor passenger transport in populous centres has been followed in the nitrate Pampa by successful experiments of the replacement of mule transport by petrol trucks, and a large market for oil and steam mechanical traction should result. Municipal activity has been very great, and the municipal bodies replaced by juntas chosen by the Government have proposed extensive programmes, parts of which have been already executed, and for the financing thereof loans aggregating £7,000,000 have been authorized or are pending consideration, building construction in the principal towns is still active, and the Government passed a law authorizing the raising of £7,500,000 during the next few years for the construction of 30,000 workmen's dwellings.

National and foreign shipping suffered depression from scarcity of freights and the effects of growing foreign competition; tonnage via Panama increased; and that via the Straits of Magellan is shortly to be augmented by British and German ships; foreign-owned railways have given satisfactory results, but no economic solution of the vexed question of the State railways has yet been found. Strikes have been more numerous, and of greater severity, but the prompt measures taken by the Government have had a salutary effect, and a repetition of the rebellion in the nitrate Pampa in June, 1925, is not anticipated. The co-operative movement in Chili is gaining ground. The cost of living continues to rise. Taking 100 as the normal figure in 1913, the official index figure for 1924 was 186, and for the first eight months of 1925, 211.

WINTER DAIRYING IN SIBERIA

Details have reached us of a notable achievement of winter dairying in Siberia, says the *Manchester Guardian Commercial*. Under the administration of "Maslozenter," the creameries there, without modern equipment, have during the past winter so increased their output that 9,000 casks of butter (equivalent to 19,000 56-pound boxes) have been shipped to London. The work was carried on in face of a winter of exceptional severity.

TENDERS INVITED

Australia

Copies of the tender forms and specifications have been received from Trade Commissioner D. H. Ross, Melbourne, for the supply and delivery of one heavy current motor generator set, as specified, for the Victorian Government Railways, Melbourne. The tender forms and specifications are open to the inspection of interested Canadian manufacturers at the Department of Trade and Commerce, Ottawa (refer to file No. 29077).

Tenders (which close on June 16) in conformity to the specification should be promptly addressed to the Secretary, Victorian Government Railways, Melbourne, Australia.

New Zealand

Copies of specifications and plans have been received from Mr. C. M. Croft, Canadian Government Trade Commissioner at Auckland, for equipment required by the New Zealand Government Railways, Wellington, as follows: Supply and erection at Otahuhu, near Auckland, of thirteen steel-framed buildings and two crane-gantries, the whole to be complete in every respect. Plans and specifications are open for inspection at the Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa. Tenders, which close on September 30, 1926, should be addressed to the Railway Board, Railway Buildings, Wellington, in accordance with these specifications.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING APRIL 26, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending April 26, 1926. Those for the week ending April 19, 1926, are also given for the sake of comparison.

	Parity	Week Ending	
		April 19, 1926	April 26, 1926
Britain	1.00	\$4.86	\$4.8618
Czecho-Slovakia	1.	.203	.0296
France	1.	.193	.0331
Italy	1.	.193	.0402
Holland	1.	.402	.4011
Belgium	1.	.193	.0366
Spain	1.	.193	.1442
Portugal	1.	1.08	.0520
Switzerland	1.	.193	.1931
Germany.. . . .	1.	.238	.2382
Greece	1.	.193	.0129
Norway.. . . .	1.	.268	.2196
Sweden.. . . .	1.	.268	.2678
Denmark	1.	.268	.2617
Austria	1.	.14125	.1412
Japan	1.	.498	.4712
Siam	1.	.3709	.4550
India	1.	2s.	.3630
United States	1.	\$1.00	.9987
Mexico.. . . .	1.	.498	.4875
Argentina	1.	.424	.4012
Brazil	1.	.324	.1393
Roumania	1.	.193	.....
Jamaica	1.	4.86	4.8800
British Guiana	1.	1.	
Barbados.. . . .	1.	1.	
Trinidad	1.	1.	
Dominica	1.	1.	
St. Kitts	1.	1.	
Grenada.. . . .	1.	1.	
St. Vincent.. . . .	1.	1.	
Tobago	1.	1.	
Shanghai, China.. . . .	1.	.708	.7050
Batavia, Java	1.	.402	.4018
Peru.. . . .	1.	4.86½	3.7925
Singapore, Straits Settlements .. \$	1.	.507	.5725

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBER DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

395. ROLLED OATS, OATMEAL, AND SEEDS.—A London company, who import produce generally upon an agency basis, are prepared to act for Canadian shippers. Lines in which interest is especially expressed are the above.

396. BUTTER.—A Belgian importer is anxious to obtain prices c.i.f. Antwerp for Canadian best qualities unsalted butter.

397. CHEESE.—A Belgian importer desires to hear from Canadian exporters of cream cheeses packed in 5-pound boxes. Prices c.i.f. Antwerp.

398. CANNED FISH.—A firm of agents in Hamburg, Germany, handling the agency of leading exporters of Portuguese sardines, wish to secure connections for Canadian canned fish such as canned salmon and lobsters.

399. CANNED SALMON, SALTED FISH.—A Genoa broker and commission agent desires to act for Canadian exporters.

400. FRUIT (CANNED AND DRIED) AND DAIRY PRODUCTS.—A large firm in London, England, are desirous of obtaining the sole agency for Canadian exporters of these commodities.

401. CANNED FRUITS.—A London firm wish to secure the agency of Canadian exporters.

402. DRIED AND EVAPORATED APPLES.—An agent in Hamburg, Germany, already representing one of the leading United States exporters of dried and evaporated apples, desires to secure a Canadian connection in this line.

403. EVAPORATED APPLES.—A firm of agents in Hamburg, Germany, wish to secure the representation of Canadian exporters of dried and evaporated apples.

Miscellaneous

404. HATS.—An import house in China desires connections for men's hats. Full details and prices c.i.f. China ports should be forwarded.

405. HAT LEATHER, etc.—Canadian firms interested in the supply of lacquered and coloured leather, skiver, and scrap leather, hat accessories; absorbent, polishing and drifting chemical and gelatine, glue, etc., used in the making of hats, are asked to communicate with a firm in Osaka, Japan.

406. KITCHEN WARE.—A Glasgow firm would like to handle enamelware, aluminumware, etc., on agency basis.

407. ELECTRICAL EQUIPMENT.—A Glasgow firm wish to handle household labour-saving devices from a Canadian firm on an agency basis.

408. PAPER.—A firm of importers and indent merchants in New Zealand desire to secure the representation of a reliable firm able to export cover papers, bond paper, art paper, grease paper, and newsprint.

409. PACKING MATERIALS.—An important and highly rated English company who manufacture on a large scale are extensive buyers of packing materials of various kinds. Supplies include wooden box shooks; fibreboard cases; kraft, writing, and printing papers; and wire nails. The company has intimated its willingness to consider offers from Canadian manufacturers when in the market.

410. WOOD MANUFACTURES.—A Glasgow firm are desirous of getting in touch with a Canadian firm manufacturing handles, dowels, clothes pins, washing boards, closet seats, blind rollers, etc., on an agency basis.

411. WOOD DOWELS.—A Bristol firm of manufacturers desire quotations for wood dowels in the following sizes in fractions of an inch, $\frac{1}{4}$, $\frac{5}{16}$, $\frac{3}{8}$, $\frac{1}{2}$, $\frac{5}{8}$, $\frac{3}{4}$. Such dowels are required in birch or similar hardwood. Quotations to be c.i.f. Avonmouth in sterling. Length of dowels (in inches), 36, 48, 60 and 72.

412. DECK CHAIR STOCK.—A Bristol firm of deck or steamer chair manufacturers desire quotations for the following sizes in inches: 21 by $1\frac{1}{8}$ by $\frac{7}{8}$; 39 by $1\frac{1}{8}$ by $\frac{7}{8}$; 45 by $1\frac{1}{8}$ by $\frac{7}{8}$; and $\frac{3}{4}$ -inch dowel by 36 and 42 inches long.

413. WASHBOARD STOCK.—An important inquiry for washboard stock involving quotations on 100,000 and 200,000 sets has been received from a manufacturer of washboards in the West of England.

414. MACHINE TOOLS AND ENGINEERING SUPPLIES.—A Birmingham firm of importers and exporters of machinery and tools wish to hear from Canadian manufacturers of machine tools and engineering supplies with a view to representation for the United Kingdom.

415. CHEMICALS, GUMS, WAXES, AND TANNING MATERIALS.—A London firm of manufacturers and merchants are prepared to consider Canadian offers.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice.)

From Montreal

To LONDON, PLYMOUTH AND CHERBOURG.—Alaunia, May 8; Antonia, May 14; Ascania, May 22—all Cunard Line.

To LONDON.—Marburn, May 8; Brandon, May 15; Bosworth, May 22—all Canadian Pacific; Canadian Trapper, May 8; Canadian Raider, May 18; Canadian Rancher, May 28—all C.G.M.M.

To LIVERPOOL.—Gracia, May 13; Kelyenia, May 20; Moveria, May 27—all Cunard Line; Canada, May 8; Regina, May 14; Megantic, May 22; Doric, May 29—all White Star-Dominion; Montcalm, May 7; Montclare, May 14; Montrose, May 28—all Canadian Pacific.

To AVONMOUTH.—Welshman, May 15; Huronian, May 29—both White Star-Dominion; Bawtry, Canadian Pacific, May 8; Kastalia, Anchor-Donaldson, May 8.

To GLASGOW.—Metagama, Canadian Pacific, May 20; Carmia, May 7; Athenia, May 14; Salacia, May 21; Letitia, May 28—all Anchor-Donaldson.

To BELFAST.—Lord Antrim, May 16; Lord Downshire, May 28—both Head Line.

To DUBLIN.—Melmore Head, May 16; Lord Downshire, May 28—both Head Line.

To SOUTHAMPTON.—Minnedosa, May 5; Melita, May 19—both Canadian Pacific.

To CARDIFF AND SWANSEA.—Canadian Mariner, May 7; Canadian Commander, May 21—both C.G.M.M.

To ANTWERP.—Minnedosa, May 5; Melita, May 19—both Canadian Pacific; Canadian Trapper, May 8; Canadian Raider, May 18; Canadian Rancher, May 28—all C.G.M.M.

To HAVRE.—Grey County, Intercontinental Transports Ltd., May 15.

To ROTTERDAM.—Hastings County, May 8; Laval County, May 27—both Intercontinental Transports Ltd.

To HAMBURG.—Essex County, May 8; Birk, May 31—both Intercontinental Transports Ltd.

To ITALIAN PORTS.—Valfiorita, Lloyd Mediterraneo Italian Service, May 15.

To COPENHAGEN AND BALTIC PORTS.—Frode, Scandinavian-American Line, May 12.

To AUSTRALIAN PORTS.—Canadian Spinner, C.G.M.M., May 14; Wirral, New Zealand SS., May 20.

To NEW ZEALAND PORTS.—Canadian Challenger, C.G.M.M., May 25; Wirral, New Zealand SS., May 20.

To WEST AND SOUTH AFRICAN PORTS.—Monarch, Elder Dempster Line, May 20.

To SOUTH AMERICAN PORTS.—Bore, Houston Line, May 20.

To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Runner, May 4 (calls at Guadeloupe); Canadian Otter, May 14; Canadian Volunteer, May 22; Canadian Squatter, June 2—all C.G.M.M.

To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Fisher, C.G.M.M., May 19.

To ST. JOHN'S, Nfld.—Emperor of Port McNicholl, Robert Reford Co., May 15; Canadian Sapper, C.G.M.M., May 17; June 3 (via Charlottetown).

To CUBA.—Emperor of Fredericton, May 8; Emperor of Havana, May 18; a steamer, May 28—Robert Reford Co.

From Quebec

To LIVERPOOL.—Montroyal, Canadian Pacific, May 21.

To SOUTHAMPTON.—Empress of France, May 12; Empress of Scotland, May 26—both Canadian Pacific.

To HAMBURG.—Empress of France, May 12; Empress of Scotland, May 26—both Canadian Pacific.

From Halifax

To LIVERPOOL.—Sachem, May 19; Newfoundland, May 26—both Furness, Withy.

To ST. JOHN'S, Nfld.—Sachem, May 19; Newfoundland, May 26—both Furness, Withy; Hethpool, Farquhar SS., May 9, May 22.

To BERMUDA, ST. KITTS, ANTIGUA, MONTserrat, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Chignecto, May 7; Teviot, May 21—both R.M.S.P. Co.

To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, May 19.

To SANTIAGO, KINGSTON AND MONTEGO.—Andalusia, Pickford & Black, May 5.

From Vancouver

To YOKOHAMA AND KOBE.—Atago Maru, Nippon Yusen Kaisha, May 22.

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Asia, Canadian Pacific, May 27.

To YOKOHAMA, KOBE, SHANGHAI AND HONG KONG.—Empress of Australia, Canadian Pacific, May 13.

To YOKOHAMA, KOBE, MIKE AND HONG KONG.—Talthybius, May 13; Philoctetes, June 3—both Blue Funnel.

To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Alabama Maru, May 5; Arizona Maru, June 4—both Osaka Shosen Kaisha.

To YOKOHAMA, KOBE, MOJI, SHANGHAI AND HAKATA.—Paris Maru, Osaka Shosen Kaisha, May 26.

To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Aorangi, May 5; Niagara, June 2—both Canadian Australasian Line.

To WEST COAST UNITED KINGDOM PORTS.—Canadian Highlander, C.G.M.M., May 31.

To LIVERPOOL.—Loch Monar, middle May; Loch Goil, end May—both North Pacific Coast Line.

To LONDON AND ANTWERP.—Canadian Ranger, C.G.M.M., May 10; Loch Monar, middle May; Loch Goil, end May—both North Pacific Coast Line.

To MANCHESTER.—London Corporation, Furness Pacific Line, May 20.

To ROTTERDAM.—Loch Monar, middle May; Loch Goil, end May—both North Pacific Coast Line.

To BARCELONA, MARSEILLES, GENOA, NAPLES AND TRIESTE.—Duchess D'Aosta, Navigazione Libera Triestina, May 19.

To BORDEAUX, HAVRE AND ANTWERP.—Zenon, May 5; Arizona, May 21—both Cie. Gle. Transatlantique (French Line).

To TRINIDAD.—A steamer, Pacific-Caribbean Gulf Line, late May.

To PUERTO (COLOMBIA), CURACAO AND TAMPICO.—Point Lobos, Pacific-Caribbean Gulf Line, May 9.

To AUSTRALIAN AND NEW ZEALAND PORTS.—West Cahokia, Pacific-Australia Line, May 14.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

James Cormack. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

P. W. Cook. Address for letters—P. O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300, Office—North China Daily News Building, 17 The Bund, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Gutrufhaus, Neuerwall 10, Hamburg 36. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czechoslovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watermill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230, office. Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

Netherlands and East Indies

R. S. O'Meara, P.O. Box 84, Batavia, Java. (Territory covers Straits Settlements, Federated Malay States, Indo-China, and Siam.) *Cable Address, Canadian.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P.O. Box 683. Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia.) *Cable Address, Sleighting, London.*

J. Forsyth Smith, Century Bldgs., 31 North John street, Liverpool. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales.) *Cable Address, Cantracom.*

Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands.) *Cable Address, Canadian.*

Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, May 8, 1926

No. 1162

TABLE OF CONTENTS

	Page		Page
Appointment of Representatives in South Africa	577	Agricultural Credits in Mexico	590
Terms of Payment in Portuguese East Africa	580	Peru as a Market for Canadian Products—	
Mr. H. R. Poussette's Itinerary in Canada	560	Notes on the Tariff, Shipping Documents,	
Summary of the Trade of Canada: Month and Twelve Months ending March, 1926	581	etc.	593
Trade Conditions in the United Kingdom	582	Foreign Trade of Japan, 1925	598
Importance of Brands in the United Kingdom	583	Economic Conditions in Japan	599
Effect of the United Kingdom Safeguarding Duties	583	Mr. A. B. Muddiman's Itinerary in Canada	602
Continuation of the British Safeguarding of Industries Act recommended	584	Tariff Changes and Customs Regulations:	
West of England Market for Tooth Brushes	586	United Kingdom Tariff Changes	603
Trade Conditions in Germany	587	Ten Per Cent Surtax on Duties in British Honduras	603
Fox Farming in Germany	588	Increase in the French Tariff	603
Economic Conditions in France	589	Foreign Exchange Quotations for Week ending May 3	604
		Trade Inquiries for Canadian Products	604
		Proposed Sailings from Canadian Ports	606
		Commercial Intelligence Service	608

APPOINTMENT OF REPRESENTATIVES IN SOUTH AFRICA

TRADE COMMISSIONER G. R. STEVENS

Cape Town, March 26, 1926.—There is, it is regrettable to note, some slackness upon the part of many Canadian firms in confirming their arrangements with their South African representatives. In more instances than not, the Canadian exporter accepts a connection, agrees in the course of a general letter to consider the agent as his representative in this market, and considers the matter closed. But the best manufacturers' representatives will not accept anything so casual as that. There are at present Canadian firms who are obtaining no business in South Africa because they have neglected to confirm the arrangements suggested by this office. It is British practice to have a contract before business begins, and a large percentage of the first-class agents in South Africa will not start selling until such contract has been delivered.

In the majority of instances which this office has traced out and remedied the Canadian exporter has not executed a contract because he was a little hazy upon how such a contract was drafted, and what such a contract involved. An agency agreement need only be the simplest of documents, as long as it is formal. It should set out in the plainest of language the agreement of the exporter and his agent upon the principal factors in their relationships, should be signed and witnessed by the Canadian exporter and the two copies sent to the South African agent, who will have his signatures witnessed, and return one copy. No particular formality or phraseology is necessary, and in ordinary contracts legal assistance is not called for.

WHAT THE CONTRACT SHOULD CONTAIN

There are a very few items which the contract must contain and a large number which it may contain. It is better policy, however, to restrict the agreement to fundamentals. These are:—

(1) *Duration of Contract.*—This should be specifically stated. This office always recommends trial contracts for a year, with the option of renewal on either side if satisfactory at the end of this time.

(2) *Definition of Territory.*—This usually covers the Union of South Africa and Rhodesia, but sometimes includes Portuguese East Africa and the mandated territory of Southwest Africa. Where the Union area is divided between a number of representatives, it should be stated that commissions will be paid to the various representatives upon all business emanating from their territory, no matter by whom booked. A number of the larger Union wholesalers have branches in all parts of the Union, and they sometimes buy from one centre and distribute their purchase from others. There is no avoiding this, however, and the definition of territory should be strict. There is also the case where certain business such as the railway or other Government purchases are included in a single territory; it is unwise to allow representatives to tender upon Government business indiscriminately. Reservation of the Reef gold mines business is also sometimes made, which can only be placed through membership upon the Witwatersrand Commercial Exchange. If there are any reservations at all in the allocation of territory, these should be plainly set forth in the agreement.

(3) *Remuneration.*—The terms of commission must be stated and the basis of commission. Commissions are almost invariably payable upon the f.o.b. Canadian ports value. In cases where manufacturers sell f.o.b. factory but allow freight to the ocean ports, a commission should be payable upon the factory price and the inland freight as well, as the base price upon which the agent sells still remains the cost of the goods at the Canadian seaport. Commissions are payable upon all goods shipped to South Africa whether ordered direct by the South African buyer or through a New York, London, or Canadian shipping house, or by the agent himself. An agent must be protected upon all purchases in his territory, since the South African importer seldom troubles to communicate with an agent when placing his indents. He sees the agent's samples probably once in every six months, and if he is not ready to order then, he sends in his indent at his leisure, sometimes direct but more often through his overseas shipper.

Canadian manufacturers sometimes complain that when they receive orders from New York or London shippers they do not know the final destination of their goods. This is correct, and it brings up the point of the prices which should be quoted such shipping houses. In almost all cases the overseas shipping houses are paid a buying commission by South African importers. In some instances, however, they are not averse to extracting a selling commission out of manufacturers. The Canadian exporter, aware that his export prices include a commission for his overseas agents, and unaware of the ultimate destination of his goods, allows the commission to the shipper and is annoyed when his South African representative claims a commission as well. If the Canadian exporter wishes to give an inside discount in order to obtain business from shipping houses, this is his own affair, but his foreign representatives should not be debited with such concession. When shipping houses ask for selling commission, they will usually be pleased to accept a small cash discount instead, if it should be offered, but if the Canadian manufacturers' goods have been specified, they should place the business at the manufacturers' price without any further concession being necessary.

(4) *Payment of Commission.*—There is no facet of Canadian business practice that is more unsatisfactory than the laxity of exporters in making up commission returns. Commissions should be paid promptly, quarterly, and this undertaking should be embodied in every contract. It is true that the laxity is not always upon the part of the Canadian exporter, particularly in the case of those overseas agents who have ideas of their own upon their income tax returns. Delay in the payment of commissions not only irritates the agent, but loses business for the Canadian shipper. The expenses of selling goods in South Africa are high. The actual monthly outlay of one manufacturers' representative carrying seven Canadian agencies and covering the Union twice each year was checked by this office and amounted as follows:—

Licences and other taxes	\$ 40.00
Hotels and entertaining	260.00
Sample rooms and office rent	100.00
Excess railage on samples	30.00
Railway fares on railfare basis	60.00
Office and clerical staff	100.00
Postage, cable, stationery sundries	110.00
Total	\$700.00

As it is always from four to five months before a commission account can be paid even with the promptest attention, it is obvious that it takes a considerable sum to finance an active agency business and to show samples in every part of the territory. If the commissions are not forthcoming for the best part of a year, it is apt to mean that the agent restricts his travelling, to the consequent disadvantage of his principals.

With reference to the inclusion of commission in quoted prices, there are two proposals which are often made by Canadian firms, and which are equally impossible. The first is that South African agents should accept net f.o.b. quotations and should add their commission, selling from their own list. Such a plan gives an agent no protection. The second proposal is that agents accept Canadian prices which are subject to discount, divide the discounts, retaining one portion for their commission and allowing the other half to stand as a trade discount. Such procedure means that any shipping house or other intermediary will be able to quote in South Africa at an equal or perhaps better price than the appointed agent, since such house would be eligible for the entire trade discount upon application. There is no other way to sell through an agent save by the exporter guaranteeing the remuneration of his representative through original inclusion of a commission in his prices.

Samples.—Some contracts call for samples to be shown in every part of the Union in a stated period. This is difficult to enforce, and unless a travelling or sample allowance is being paid to the agent, it should not be incorporated in an agreement. Arrangements regarding the costs of samples are also at times included, as to which there is a wide variety of practice. In the case of samples of a more or less permanent nature, the general custom is for the agent to pay for them, a substantial sample discount being given him to assure that he will lose nothing when the samples are sold. The cost of each set of samples is not debited against the agent until a fresh range is sent out.

Cables.—Under this head the recommendation is usually that each party should pay his own. There is nothing in which more money is wasted than cables, and it is better that each party should be responsible for his own expenditure.

Advertising.—Advertising and advertising allowances are sometimes specified in agency contracts, but seldom if ever in Canadian contracts, overseas advertising being avoided as if it were something virulent. The Canadian manufacturer who probably spends 15 per cent of his gross domestic returns upon

advertising is generally disinclined to render any assistance of this kind to the development of foreign business. This office therefore recommends that prospective agents for Canadian lines which require advertising should ask that their contracts embody a percentage advertising allowance when a certain volume of sales has been reached. This arrangement protects the Canadian manufacturer, who is not being put to any advertising expenditure before he has business in sight; and it gives a leg up to the South African representative, who has done the spade work of introduction under handicaps, and is worthy of some additional assistance in order to confirm the establishment of the line in question upon the market.

TERMS OF PAYMENT IN PORTUGUESE EAST AFRICA

TRADE COMMISSIONER G. R. STEVENS

Cape Town, March 31, 1926.—One or two Canadian exporters have of late experienced some difficulty in Portuguese East Africa over sterling drafts drawn on importers in that territory. The South African and British banks operating in Portuguese East Africa are not at all anxious to deal in sterling, and in some instances this fact has been capitalized by Portuguese importers who do not wish to meet such drafts.

The extraordinary variation of the escudo has led to a considerable proportion of foreign trade of the territory being carried on a gold basis, and the export of gold is prohibited from Portuguese East Africa. On this account the foreign banks have been accumulating useless gold surplus, and they prefer, as far as possible, to avoid transactions which tie up funds in this manner. For the present at least, Canadian firms quoting Portuguese East Africa should specify as terms either sterling or dollar payments, drawn on South African or Rhodesian banks. This is the method that the majority of English firms transact their present business, as it is the only way in which a prompt clearance of bills can be guaranteed.

For initial shipments to Portuguese East Africa at present, however, a letter of credit is preferable. The difficulty of collection on small amounts upon outstanding drafts is too great. This advice, however, does not apply to old-established connections in that territory which are as able to pay at the present as in the past. Such firms, however, almost invariably pay through New York or London confirming houses, and the risk is really run in initial shipments to new accounts.

This office seldom learns of refused drafts until several months after they have been refused. If Canadian firms on first orders instruct their bankers to communicate with this office in event of refusal, it is sometimes possible to arrange immediate collection, whereas such collection is next to impossible several months later.

MR. H. R. POUSSETTE'S ITINERARY IN CANADA

Mr. H. R. Poussette, recently appointed Trade Commissioner to India and Ceylon, is at present on a business tour in the Dominion in the interests of Canadian trade not only with India and Ceylon but with his former territory in the British West Indies, which includes Trinidad, Barbados, and the Windward and Leeward Islands, as well as British Guiana, Porto Rico, and Venezuela. The following is the first part of his itinerary:—

Toronto, Oakville and northern towns	May 7 to 25.
Hamilton	May 26 to 28.
Border Cities	May 31 to June 2.
London	June 3 and 4.
Stratford	June 7.
Guelph	June 8.
Preston and Galt	June 9 and 10.
Brantford, Paris and Woodstock	June 11 to 15.
St. Catharines, Welland and Niagara Falls	June 16 to 18.

SUMMARY OF THE TRADE OF CANADA: MONTH AND TWELVE MONTHS ENDING MARCH, 1926

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of March, 1926				Twelve Months ending March, 1926			
	From United Kingdom		From United States		To United Kingdom		To United States	
	Total Imports	\$	Total Exports	\$	Total Imports	\$	Total Exports	\$
<i>Imports for Consumption</i>								
Agricultural and Vegetable Products.....	19,963,907		3,380,730		203,417,431		34,603,501	
Animals and Animal Products.....	7,332,037		8,462,757		49,259,558		5,960,932	
Fibres, Textiles and Textile Products.....	20,485,280		8,005,200		184,761,831		70,115,478	
Wood, Wood Products and Paper.....	4,672,310		271,469		3,473,664		34,715,231	
Iron and its Products.....	22,971,101		1,756,345		40,403,096		17,905,166	
Non-Ferrous Metal and their Products.....	4,791,009		476,502		181,196,800		38,911,300	
Non-Metallic Minerals and their Products.....	12,851,613		1,165,730		47,692,985		5,303,872	
Chemicals and Allied Products.....	3,253,300		337,079		139,033,940		110,686,261	
Miscellaneous Commodities.....	4,613,190		733,676		28,404,276		18,754,942	
Total Imports, 1926.....	100,433,747		17,376,019		53,232,815		7,800,530	
1925.....	84,638,070		15,671,480		927,402,732		163,710,431	
1924.....	86,953,579		13,796,351		796,932,537		151,083,946	
<i>Exports (Canadian Produce)</i>								
Agricultural and Vegetable Products.....	45,898,347		18,806,472		893,366,867		509,780,009	
Animals and Animal Products.....	13,050,339		5,559,290		151,083,946		601,256,447	
Fibres, Textiles and Textile Products.....	710,238		78,497		151,083,946		601,256,447	
Wood, Wood Products and Paper.....	27,868,063		937,575		893,366,867		509,780,009	
Iron and its Products.....	8,900,350		679,541		151,083,946		601,256,447	
Non-Ferrous Metal and their Products.....	10,267,446		2,203,592		893,366,867		509,780,009	
Non-Metallic Mineral and their Products.....	2,076,890		198,473		151,083,946		601,256,447	
Chemicals and Allied Products.....	1,666,950		285,150		893,366,867		509,780,009	
Miscellaneous Commodities.....	1,825,257		694,045		151,083,946		601,256,447	
Totals, 1926.....	112,263,910		29,442,635		151,083,946		601,256,447	
1925.....	94,815,802		23,425,039		151,083,946		601,256,447	
1924.....	92,429,774		21,504,857		151,083,946		601,256,447	
<i>Exports (Foreign Produce)</i>								
Totals, 1926.....	1,701,869		111,835		1,028,583		10,964,868	
1925.....	1,072,334		167,099		1,324,615		9,767,499	
1924.....	1,185,528		79,035		1,103,020		10,935,365	
<i>Excess of Imports (†) or All Exports (e)</i>								
1926.....	(e) 13,032,062		(e) 12,178,451		(e) 401,134,405		(e) 345,567,728	
1925.....	(e) 11,250,066		(e) 7,920,708		(e) 284,429,106		(e) 246,084,102	
1924.....	(e) 6,661,723		(e) 7,787,541		(e) 165,396,430		(e) 207,574,112	

TRADE CONDITIONS IN THE UNITED KINGDOM

TRADE COMMISSIONER HARRISON WATSON

London, April 20, 1926.—It is understood that domestic trade is proceeding smoothly in many lines and actively in some particular directions. Upon the other hand, the failure so far to arrive at a settlement of the coal dispute, which, directly or indirectly, affects every branch of the country's industry and trade, is causing a general uncertainty which is restricting future operations.

In any case, although the first quarter of the year has passed, there is an absence of indications of the spurt so confidently predicted at the end of 1925, at least so far as export trade is concerned.

The optimistic anticipation that a general recovery was in sight was, however, admittedly based upon the prompt adoption of the Locarno proposals and the unexpected and disappointing delay which has occurred has obviously been an obstacle. Another deterrent feature, in addition to the difficulties with the miners, is the signs of unrest in other industries which are constantly cropping up.

While there is a tendency towards expansion in some of the great industries, notably iron and steel, until the present coal crisis developed, shipbuilding remains an exception.

The quarterly report on shipbuilding returns gives little ground for satisfaction. It is true that there was some slight improvement in one or two directions, particularly in the amount of tonnage commenced. The total shipping under construction, however, exhibits a reduction of 42,000 tons in comparison with December, 1925, and of 322,000 tons from the total at the end of 1924. Lloyd's report that the present figures are the lowest recorded since September, 1909, and are 1,047,000 tons below the average tonnage building during the twelve months immediately preceding the war.

An unfavourable feature of more far-reaching interest is that the present reduction in the United Kingdom output is far greater than that which is being experienced in Continental shipyards.

OVERSEAS TRADE

The position of overseas trade, as disclosed by the publication of the trade returns for the first three months of the year, is being received with some variety of opinion. The totals, which are as follows, exhibiting a contraction in valuation in each case in comparison with the first quarter of 1925, are on the face of it disappointing:—

	First Quarter 1925	First Quarter 1926	Decrease	Percentage
Imports	£351,955,964	£321,398,546	£30,557,418	8.6
Exports (British)	208,684,168	189,594,365	19,089,803	9.1
Re-exports	39,939,684	37,048,891	2,890,793	7.2
	£600,579,816	£548,041,802	£52,538,014	8.8

According, however, to the several authorities who collect information on this point, wholesale prices have declined anywhere from 12 to 14 per cent during the past twelve months. Consequently a readjustment of values upon this basis, supplemented by an examination of quantities, in cases where details are available, shows that, taken all round, not only has there been no loss, but actually a definite increase in several directions.

The situation is somewhat effected by the drop in prices, but it is unsatisfactory that two-thirds of the reduction in imports should apply to "raw

materials". Similarly, from an industrial point of view, it is disappointing that £13,000,000 of the drop of £19,000,000 in exports should represent wholly manufactured products of the United Kingdom.

From a Canadian point of view, it is interesting to find that although imports of wheat for the three months only advanced 1,700,000 cwt., receipts from Canada more than doubled, rising from 4,203,828 cwt. to 9,581,202 cwt. Imports of Canadian flour also increased by about 100,000 cwt., while imports from all sources fell away by 500,000 cwt.

ARTIFICIAL SILK

A development which is receiving great attention in this country, and is also of direct interest to Canada as a supplier of the raw material, is the growth of the artificial silk industry.

The duties imposed by the last Budget gave a definite impetus to home production, and in reply to an inquiry made in the House of Commons a few days ago, the President of the Board of Trade stated that ten artificial silk factories have been started in the United Kingdom since July 1 last. Of these, five are producing and five are in the experimental stage. Six more are expected to be commenced shortly.

IMPORTANCE OF BRANDS IN THE UNITED KINGDOM

Mr. Harrison Watson, Canadian Trade Commissioner in London, writes as follows on the importance of brands in the United Kingdom:—

Reference has been made in previous reports to the important and essential part played by brands in the present campaign which is being carried on in this country to induce consumers to demand Empire products in preference to the goods of foreign countries.

As the supporters of the scheme and the organizers of displays explain, many of the public who wish to buy, as an illustration, say, Canadian products, cannot carry this into practice unless they know for what particular brands to ask, and at present only a limited number of the Canadian food products which should, and can, command a sale here have brands associated with them which are familiar to the public, or indeed possess brands at all.

It is to be judged from the large number of appeals for advice and co-operation which are being received from cities, towns, and villages all over the country that Empire Shopping Weeks are to be held in a great many centres either on the week beginning May 3 or on the week in which Empire Day falls.

As the organizers of many of these stress the importance of brands, and ask to be supplied with a list of the best-known brands of Canadian provisions, canned goods, and other articles of food, it seems opportune to impress this necessity upon Canadian packers and shippers who are looking for an export market in this country.

EFFECT OF THE UNITED KINGDOM SAFEGUARDING DUTIES

TRADE COMMISSIONER HARRISON WATSON

London, April 21, 1926.—The President of the Board of Trade, in response to inquiries addressed to him in the House of Commons yesterday, quoted official figures comparing current imports of certain commodities which are now subject to safeguarding and luxury import duties with the corresponding figures for the first quarter of 1925.

It will be observed that there is a marked decrease since the duties, which have been in force since last summer, have been operative:—

		Jan. 1 to Mar. 31, 1926	Jan. 1 to Mar. 31, 1925
Automobiles	{Number	2,669	7,531
	{Value	£459,042	£1,386,798
Musical instruments . . . . .	..Value	£77,337	£301,847
Clocks and watches . . . . .	..Value	£174,529	£616,453
Gas mantles	{Number	12,000 gross	45,000 gross
	{Value	£14,000	£48,000

Similarly, the President of the Board of Trade assumes that the United Kingdom artificial silk industry has derived substantial advantage from the adoption of the artificial silk duties.

He announced that the value of the exports of artificial silk manufactures (except apparel and embroidery) made in the United Kingdom rose from £742,148 in the first quarter of 1925 to £1,357,489 in the first three months of 1926, an increase of 82.9 per cent.

CONTINUATION OF THE BRITISH SAFEGUARDING OF INDUSTRIES ACT RECOMMENDED

TRADE COMMISSIONER HARRISON WATSON

London, April 23, 1926.—When the Safeguarding of Industries Act, 1921, was passed it was stipulated that Part I (which deals with “key” industries) was to remain in force for five years.

Part I levies an import duty upon those particular commodities, when they are the product of foreign countries, which have been selected as key industries; while the same commodities, when produced within the British Empire, are admitted free of duty.

As the existing legislation expires on the 19th August, 1926, the President of the Board of Trade appointed a special committee to inquire into and report upon:—

(1) The effect of Part I of the Safeguarding of Industries Act, 1921, on the development of the industries manufacturing the goods covered by the Schedule to that Act;

(b) The question of the desirability or otherwise of an extension of Part I of the Act after its expiry on August 19, 1926; and

(c) The question of the desirability of inclusion within the ambit of the Schedule of any articles or substances not now covered.

The report issued by that committee to-day recommends the continuation of safeguarding duties for a minimum of five years, and preferably ten years. [The Budget as introduced stipulates ten years: see cablegram page 603.]

The report is a comprehensive document, and deals in considerable, and often technical, detail with particular articles affected by the key industry duty. These, as is already known, consist mainly of: optical glass and instruments, scientific instruments, magnetos, arc lamp carbons, hosiery latch needles, synthetic organic chemicals.

Although Canada at present exports to the United Kingdom only a few of the commodities included in the act, the trade in some of them, notably acetic acid, cameras, and lenses, has attained considerable dimensions, and certain suggestions put forward by the committee, if adopted, may have considerable effect.

Consequently, although it is impossible to reproduce the detailed accounts contained in the report, it is clearly advantageous to indicate its principal points and the recommendations made by the committee. Canadian manufacturers and exporters who are actually interested are recommended to consult the report itself. This is obtainable from His Majesty's Stationery Office, Adastral House, Kingsway, London, W.C. 2 (price 9d.: 18 cents).

The chief recommendations of the committee are:—

(1) That in the case of optical glass, optical elements, and optical instruments (a) the duty should be continued, (b) the rate of duty should be increased from 33½ to 50 per cent ad valorem, (c) the proportion of the value of goods manufactured in and consigned from within the Empire which is the result of Empire labour should be raised from 25 to 75 per cent, (d) lenses forming parts of optical instruments should be regarded as separate articles for duty purposes, and (e) component parts of dutiable optical instruments should also be dutiable.

(2) That in the cases of

(a) scientific glassware, lamp-blown ware, and laboratory porcelain;

(b) scientific instruments, gauges, and measuring instruments of precision of the types used in engineering machine shops and viewing rooms;

(c) wireless valves and similar rectifiers and vacuum tubes;

(d) ignition magnetos and permanent magnets;

(e) metallic tungsten, ferro-tungsten, and manufactured products of tungsten, and compounds of thorium, cerium, and other rare earth metals; and

(f) synthetic organic chemicals, analytical re-agents, fine chemicals, and chemicals manufactured by fermentation processes.

(i) the existing duty should be continued and (ii) in the case of dutiable scientific instruments the duty should be extended to component parts of such instruments.

(3) That in the case of hosiery latch needles a duty should be continued, and consideration given to the question of the desirability of increasing the rate of duty so as more nearly to compensate for the labour advantage possessed by Continental manufacturers.

(4) That in the case of arc-lamp carbons, the existing ad valorem duty of 33½ per cent should be replaced by a specific duty of 1s. per pound weight.

(5) This section recommends that the present tribunal shall be strengthened and a panel of persons of special scientific attainment appointed for arbitration purposes.

(6) to (10) These sections recommend the adoption of certain exemptions from duty under special circumstances, and other matters associated with the working of the Act.

— (11) That amorphous carbon electrodes should be added to the schedule.

(12) That molybdenum, ferro-molybdenum, and molybdenum compounds other than ores and minerals, vanadium, and ferro-vanadium, should be added to the schedule.

(13) That steps should be taken to render operative all impositions, increases or extensions of duty recommended as soon as possible after the recommendations are first made public.

(14) That the period for which the safeguarding duties are continued should be a minimum of five years, and preferably ten years.

In order to avoid any possible misapprehension, it should be emphasized that the recommendations made by the committee are simply suggestions, and if the Government decide to adopt them, the proposals would have to be submitted to Parliament.

SPECIAL COMMITTEES REJECT APPLICATIONS FOR DUTIES ON ENAMELLED HOLLOW-WARE AND WORSTEDS

Although they are only indirectly connected with Part I of the Safeguarding of Industries Act, it seems convenient to deal simultaneously with the reports issued to-day by the two committees appointed by the Board of Trade to inquire into the applications made by the enamelled hollow-ware and worsted industries for the imposition of a safeguarding duty.

As regards enamelled hollow-ware, the special committee announces that the applicants having failed to establish their case, the committee is unable to recommend the adoption of a safeguarding duty.

Concerning worsteds, the application was for the adoption of a duty on "tissues or fabrics (whether in the piece or in any other form) of any weight from 2 ounces per square yard up to and including 11 ounces per square yard made wholly or partly from wool or hair."

The committee find that the complete case for the imposition of a duty has not been substantiated, and consider that competition is unfair only in so far as it arises from depreciation of French currency, which operates so as to create an export bounty in favour of the French manufacturer.

The committee intimate that while, under present conditions, they are not prepared to recommend the adoption of an import duty, had the case been proved to their satisfaction they would have recommended a duty at the rate of $12\frac{1}{2}$ per cent ad valorem as being adequate to overcome the causes which were the subject of complaint by the applicants.

Under the circumstances, the committee recommend that close observation be directed to the future trend of the three factors in operation, namely: (a) depreciation of foreign currencies; (b) volume of retained imports; (c) employment in the industry; and if future conditions should warrant the imposition of a $12\frac{1}{2}$ per cent duty, they make a number of suggestions as to the details of its operation.

WEST OF ENGLAND MARKET FOR TOOTH BRUSHES

TRADE COMMISSIONER DOUGLAS S. COLE

Bristol, April 20, 1926.—It is no exaggeration to state that the tooth brush trade is overdone at present in the United Kingdom.

A recent inquiry amongst West of England retailers, druggists, dentists, wholesale druggists and importers, on behalf of a Canadian manufacturer of tooth brushes, indicates there are four chief sources of supply, viz., England and Japan, Austria and the United States.

THE FOUR SOURCES OF SUPPLY

England.—The English-made brush controls the bulk of the high-class trade and retails at prices from 35 cents to 70 cents. These are generally sold either in paper cartons with a small xylonite opening at one end to show the type of bristle or in transparent colourless cylinders which show every detail of the brush.

The English preference is for a two-row bristle for children, three rows of bristles for women and four rows for men, and for larger brushes than those in use in Canada.

One feature of the West of England trade is a fair demand for a bone handle with an unbleached bristle, which certainly is far from attractive in appearance, and the demand is explicable only through the innate conservatism of a certain section of the public. Bone handles are more porous and consequently not as antiseptic as the composite nitro-cellulose handle of xylonite generally used.

Japan.—To what extent Japanese tooth brushes control the trade in the cheaper lines may be indicated from the fact that at the time of the Japanese earthquake all supplies in England were hurriedly bought up in the fear of a shortage. The result was that the market was overbought for months and affected the trade generally.

To-day Japan sells an endless variety of attractive lines in all colours of handles, bristles and types, and this trade is practically all controlled by London importers, who sell to the provincial distributors.

Austria.—Austrian supplies in the cheaper grades are also to be found on sale in Bristol, although the range does not appear to be so extensive as the Japanese.

United States.—A few varieties of American tooth brushes of high quality done up in individual cartons are to be found on sale but are maintained only

by extensive advertising. The impression seemed general that the demand was far from large, and the "Buy British Goods" campaign is certainly active in the above regard. Wholesalers state that a distinct public feeling has grown up to avoid such goods particularly when English manufactured brushes of equal or superior quality are available.

SALES DISTRIBUTION AND PRICES

Although wholesale chemists in the provinces carry stocks, yet the purchasing for the entire country is generally done through London importing houses who supply the provinces. Chain store chemists would of course be independent buyers.

There is a very wide spread between wholesale and retail prices and the profit on the latter ranges from 75 to 100 per cent of the wholesale prices. English brushes of high quality which cost wholesale 14s. (\$3.40) per dozen less a discount, retail at 2s. (48 cents) each and the retail prices for English supplies vary from 9d. (18 cents) to 3s. (75 cents). Japanese brushes as sold to the cheaper trade retail from 4d. (8 cents) to 1s. (24 cents), and the wholesale price is about 50 per cent of the above.

There are a few manufacturers' agents in the provinces who call on the retail chemist trade, but these men as a rule have their connections through London houses.

TRADE CONDITIONS IN GERMANY

TRADE COMMISSIONER L. D. WILGRESS

Hamburg, April 15, 1926.—The reviews of trade during the month of March published in the German press are more optimistic than has been the case for several months. In general, it is agreed that the worst phase of the industrial stagnation has been passed.

With the resumption of spring agricultural and building operations there has been a slight decrease in unemployment. The total number of unemployed in receipt of support on April 1 was 1,942,000 as compared with 2,056,000 on March 1.

The number of bankruptcies in March declined to 1,893 as compared with 2,016 in February and 2,092 in January. In addition, 1,488 firms were placed under official receivership during March as against 1,580 during February.

There was little change in monetary conditions during the month. On March 27 the Reichsbank reduced its discount rate from 8 to 7 per cent. Throughout most of the month the supply of short-term credits exceeded the demand. Daily money was plentiful at rates of from 5 to 6 per cent or 4 to 5 per cent and less for first-class firms. The March quarterly settlements brought about a great demand, but the rate only rose to 7 per cent as against 8 per cent at the end of February. The rates for monthly credits were unchanged during March at $6\frac{1}{2}$ to 7 per cent. The private discount rate has remained at 5 per cent since February 23.

The easy money conditions and the reduction of the Reichsbank's discount rate gave a further impulse to the German stock markets. The share index of the *Frankfurter Zeitung* rose from 72.61 on February 27 to 86.18 on April 1. The most active interest was shown in banking, shipping, brewery, dyestuffs and electrical shares. Foreign buying orders are said to have been as prominent a factor during March as in the previous months.

Reports from the various industries continue to complain of lack of markets, but in many instances a slight improvement is reported. The reduction of the turnover tax and abolition of the luxury tax on April 1 had already in March a favourable influence on certain industries. This factor has given a further encouragement to the automobile industry and increasing output, both of

passenger cars and trucks, is reported from most factories. There was an improvement in the shipbuilding industry during March. In the Rhenish-Westphalian coal and iron industries, no recovery from the general stagnation is yet apparent. The position is also reported as unchanged in the small iron industry and in the Solingen cutlery trade. The machine industry only reports improvement in export orders for special machines. The coming of spring and tax reductions have brought about a slight improvement to the textile industry and other trades supplying the home population.

Import trade continues to be quiet. There was a revival in purchases of foreign flour during March. Total arrivals at Hamburg amounted to 321,000 sacks, which were higher than in any month since November. In most other trades the prevalence of unemployment and the stagnation of industry are maintaining imports at a low level.

FOX FARMING IN GERMANY

TRADE COMMISSIONER L. D. WILGRESS

Hamburg, April 13, 1926.—There has recently been a considerable amount of interest shown in the breeding of silver black foxes in Germany and a number of fox farms have been established with foundation stock imported from Canada, the United States, and Norway.

The first fox farm in Germany was founded by Dr. Reinhard Demoll in 1921 at Hirschegg bei Riezlern, Upper Bavaria. Later a model fox farm was established in the Giant Mountains by Mr. Otto Ludwig, who formed a company known as the Schlesische Silberfuchsfarm G.m.b.H., with headquarters at Breslau. About the same time a farm for the breeding of blue foxes was started at Dinnies, in Mecklenburg.

At the beginning of 1925 there were only four fox farms in existence in Germany, but that year saw a great increase in fox breeding, over twenty-five fox farms being established with a total of over 150 animals. One farm has been established in the Erzgebirge near the Czecho-Slovak border with Canadian foundation stock. Two farms are being started in East Prussia, one in the district of Allenstein being already in operation. Other farms are being formed in Neustadt on the Rennstieg in Thuringia, in Beneckenstein in the Harz Mountains, while farms have already been established in Pomerania and the Black Forest.

Last year a society was formed in Freiburg, Baden, known as the Badische Verein für Silberfuchszucht, with the intention to establish two farms in the Black Forest in addition to the one already in operation at Plaettig.

A number of German breeders joined together over a year ago to form the Deutsche Pelztierzüchtervereinigung e.V., or Association of German Fox Breeders, with headquarters at Hohenstaufenstrasse 10, Munich. The president of this association is Dr. Reinhard Demoll, the founder of the first German fox farm. The association has organized a firm, known as the Edelpelztier Import Gesellschaft m.b.H., Schwanthalerstr. 68, Munich, for the purpose of purchasing foundation stock from abroad for breeders in Germany and neighbouring countries. A representative visited the United States last summer and purchased thirty pairs of breeding foxes. This year the president of the association intends himself to visit North America about the beginning of September to negotiate the purchase of further breeding stock.

Most of the fox farms so far established in Germany are small undertakings with three to five pairs of foxes. The largest fox farm has only forty animals. The interest in fox breeding, however, is increasing, and there will probably be many inquiries for Canadian stock. The development of the industry is hampered by the shortage of capital in Germany, and this factor will limit the number of foxes which can be sold to this country.

ECONOMIC CONDITIONS IN FRANCE

TRADE COMMISSIONER HERCULE BARRE

Paris, April 10, 1926.—Imports into France for the first two months of 1926 amounted to 7,774,638 tons valued at 9,727,568,000 francs, against 7,497,410 tons valued at 6,510,293,000 francs for the corresponding period in 1925. Exports amounted to 5,023,074 tons to the value of 8,277,266,000 francs as against 5,171,863 tons valued at 7,154,770,000 francs in January and February.

The visible balance of trade for the two months including that with the French colonies and protectorates, was 1,450,302,000 francs on the side of the imports, whereas the corresponding period of 1925 showed a balance of 644,-477,000 francs in favour of the exports.

Measured by quantities, there was an increase of 277,228 tons in the imports and a decrease of 148,789 tons in the exports, as compared with the corresponding two months of 1925.

PRICE INDEX

The general wholesale price index in France of 45 articles which were 100 for July, 1914, was 649 at the end of February, as compared with 647 at the end of January and 646 end of December. The general index for foodstuffs was 535, as compared with 531 and 528 respectively, and for sugar, coffee and cacao 582 as compared with 562 and 542. Textiles were at 872 as compared with 887 and 898. Retail prices in Paris: 495 at end of February as compared with 480 at end of January.

PRODUCTS MARKET CONDITIONS

Production of iron and steel are reaching record levels, the demand from abroad continuing firm, though domestic purchases are slightly checked owing to further rises in prices.

Raw silk prices are firm with purchases restricted, stocks low and mill activity normal. Crepes and muslins are favoured. The artificial silk industry is active with firm prices.

There was a slight fall in hide and skin markets. The shoe industry has been active in preparation for the summer season. Other leather industries show only an average volume of business.

Lumber dealers state that foreign softwoods are in fair demand, with less difficulty due to the exchange than was expected. Orders for imported hardwoods are restricted, due to the greater use of local and reparation woods.

The increase in railroad freight rates effective from January 1 weighs heavily on certain products, especially raw materials. Readjustments are demanded in many cases by the industries most heavily hit.

GENERAL EFFECT OF THE BUDGET

A sense of relief is distinctly noticeable among the public since the budget has at last been voted, which provides (nominally) revenue to balance expenditure. The Minister of Finance has announced that his next task is to provide a Debt Redemption Fund (*Caisse d'Amortissement de la Dette Publique*), and to effect a settlement of the allied debts. When these fundamental conditions of financial stabilization have been realized, measures will be considered for the gradual decrease of national expenditure and lowering of taxation. A Voluntary Contribution Fund has been organized for the purpose of redeeming public loans. Should widespread and liberal response be made to the appeals for contributions, it may help to restore public confidence in the future of the franc, thus eventually increasing its exchange value.

AGRICULTURAL CREDITS IN MEXICO

TRADE COMMISSIONER C. NOEL WILDE

Mexico City, April 10, 1926.—With the object of developing the agricultural resources of Mexico, the Mexican Government has recently introduced a far-reaching scheme of agricultural credits, which will operate through a national bank established for the purpose.

The area of land in Mexico suitable for agriculture is estimated at approximately 370,000,000 acres, or about three-quarters of the total. Of this area less than 5 per cent is at present in use for agricultural purposes, the total cultivated area amounting to about 17,500,000 acres. The principal food crops are corn, wheat, sugar, beans and barley; smaller but substantial quantities of chick peas, rice, coffee, and potatoes are also produced. Of commercial crops, henequen or sisal and cotton are grown on a large scale.

In the past many factors have prevented the proper development of Mexico on agricultural lines. Chief among these have been the lack of water over large areas, and the question of financial assistance to small farmers. The former difficulty is in course of solution by means of an extensive scheme of irrigation, of which the cost will probably amount to some 40,000,000 pesos; a well-known firm of New York consulting engineers are at present engaged in making a complete survey and preparing detailed estimates of the various proposed works, which are six in number, situated respectively in the states of Durango, Sonora, Tamaulipas, Baja California, Michoacán, and on the international border. In addition to these primary proposals, a number of secondary schemes of irrigation are in course of investigation in connection with the *haciendas* of the "Caja de Préstamos"; these *haciendas*, by virtue of the arrangement recently made between the Secretary of Finance and the International Committee of Bankers, now revert to the Mexican Government, and it is intended to develop them by subdivision into small holdings and supply adequate irrigation facilities to such as require it. The work in connection with these secondary schemes will be undertaken under the financial supervision of the new bank.

With regard to the financial question, an authority in close touch with the situation states that in the past Mexican banks have given credit only to large landholders, who in most cases did not seek to develop their estates to a greater extent than was necessary to supply them with whatever income they considered adequate to their requirements. Thus, on the one hand, a portion of the larger estates frequently remained uncultivated, and, on the other, the smaller farmers could not secure such financial aid from the banks as would enable them to cultivate their estates in a satisfactory manner; under these circumstances they had recourse to private money lenders, who charged highly usurious rates of interest, varying from 50 per cent to 60 per cent per annum, and in some cases much higher. In addition, they were always compelled to sell their crops, in order to repay these loans, at from 25 per cent to 30 per cent below the ruling market prices.

The large estates mentioned above, while not universal, have always been a prominent feature of Mexican life; in some cases they extended to many hundreds of thousands, and even millions, of acres; as a general rule they were not intensively cultivated, and until recently the labourers employed on them received wages far below the line of subsistence. As a result, many of these labourers became heavily in debt to their employers and were compelled to remain on their estates until their debts were paid off. If this were not done before their death, their sons had to assume the liability. This system, known as peonage, gave rise to a condition which in fact, if not in name, closely approached slavery.

LIBERATION OF THE PEON

One of the principal items in the revolutionary campaign of 1910 and subsequent years was the liberation of the peon from this condition of servitude, the intention being to accomplish this object by the subdivision of portions of the large estates into small holdings which could be cultivated by the individual under conditions of freedom not hitherto enjoyed. It was found, however, that the peon was not in a position to undertake such work without financial assistance; he was unable to buy the necessary seeds for his first crop, and agricultural implements, even of the most primitive kind, were quite beyond his means. Thus the land turned over to him remained uncultivated, and he found himself unable to earn a living either as an employee or as an independent owner of land.

DECLINE IN AGRICULTURAL PRODUCTION

It will be seen that many factors have worked against the proper development of agriculture in Mexico. As a matter of fact, the maximum production of food crops was in the years immediately preceding the Revolution (i.e., up to 1911), since which time there was a reduction till about 1920, this reduction varying with weather conditions, local demand, and other factors. Some crops indeed have shown an increase, but corn shows a falling off of 16 per cent, and beans of more than 40 per cent; these two products form the principal food of the Mexican peon, and the reduction has necessarily led to an increase in price, with consequent hardship to the classes dependent upon them for subsistence.

This condition of affairs naturally has not escaped the attention of the Government; in order to provide a remedy, proposals were made for the establishment of a Government bank which would enable the small farmer to work under more favourable conditions than had hitherto been found possible. The matter was placed in the hands of three experts, with the result that the necessary legislation was effected, and the National Bank of Agricultural Credit (Banco Nacional de Crédito Agrícola) was formally opened by the President in the month of March, 1926.

OBJECTS AND CAPITALIZATION

The objects of the bank are stated to be as follows:—

- (a) To promote, regulate, and supervise the formation and operation of district and local associations of agricultural credit.
- (b) To make loans for agricultural objects, for permanent improvements, and for the purchase, subdivision and colonization of land.
- (c) Issue securities, and authorize the issue of securities by district associations.
- (d) Supervise and guarantee the titles recorded in the Public Register of Agricultural Credit.
- (e) Perform banking and commercial operations, make contracts, etc.

The authorized capital of the bank is 50,000,000 pesos (\$25,000,000), the subscribed and paid-up capital being 21,000,000 pesos (\$10,500,000), divided into three series, known respectively as series "A", "B", and "C". The "A" shares belong to the Federal Government, which has at all times the right to object to any proposition made at a general meeting of the shareholders, even though they be in the minority; they cannot necessarily impose their will, however, but can oppose anything which they consider against the welfare of the republic. The "B" shares are held by the State Governments, and the "C" shares by the general public; these have equal voting power. A somewhat novel provision in regard to the division of profits is that these must first be paid in the form of dividends to the holders of "C" shares up to 6 per cent; any additional profits may be paid equally to the holders of "A" and "B" shares up to 6 per cent, the remainder being devoted to the holders of "C" shares either as an additional dividend or as a reserve in their favour. The dividends on "A" and "B" shares, however, are not paid in cash, but in the form of additional shares of the same series.

HOW THE BANK FUNCTIONS

It will be observed that the bank functions through district associations; the formation and operation of these associations are carefully regulated, and they will be of two kinds, known as Regional (Regionales) and Local (Locales) associations. The former will be organized as limited companies or co-operative societies, and are authorized to make loans, construct or operate permanent improvements to the land, to purchase from, sell or rent to (as the case may be) its members fertilizers, seeds, fencing material, implements, cattle and other supplies necessary for agriculture, and to organize the purchase, sale or manufacture of products leading to the economic betterment of its members; the members of these regional societies must not be less than ten in number, all of which must own or occupy land in the same district, and the minimum capital of each association will be 500,000 pesos (\$250,000).

Local associations are of a similar kind and are formed for similar objects, but the members will consist of agrarian communities and occupiers who cultivate land personally or with the assistance of their families; members of such associations must hold land within the same municipal area, or in such manner that they form a compact group. The minimum number of members is twenty. Loans will be made to local associations by the National Bank of Agricultural Credit, but in no case can such loans exceed 50,000 pesos (\$25,000) to any association; the local associations may in turn make loans to their members up to 75 per cent of the estimated value of the crops. The National Bank of Agricultural Credit is empowered to guarantee the paper of local associations and in fact give them all facilities for credit, provided they in turn give proper guarantees for repayment. Liability of local associations is unlimited.

Pending the formation of these regional and local associations, the bank can deal direct with every individual farmer, and in fact this is the manner in which it is at present functioning.

EXPERT ASSISTANCE TO THE SMALL FARMER

In addition to the financial aspect of the bank's operations, and in order to make them of the utmost practical value to the small farmer, a twofold scheme of physical assistance has been evolved: firstly by means of an educational process, and secondly by providing proper facilities for work. A corps of agricultural experts has been organized, whose duties will be to travel throughout the country in order to form the regional and local associations. Once these associations are formed, the experts will give the small farmer the benefit of their experience in such matters as the proper classification of land, the best methods of sowing, tillage and harvesting, and the most profitable methods of disposing of the crop. They will instruct them as to the best implements to use, the advantages of modern tools and machinery, the proper selection of seeds, and the kind of crops most suitable for different varieties of soil. As an example of the advantages to be derived from such educational work, it may be mentioned that hitherto the only crops to which the small farmer has devoted his attention have been corn and beans, whereas much of the land would produce far better crops if planted with fruit trees; in other cases they have planted sugar cane where wheat or barley would give greatly increased profits.

SUPERVISION OF MONEY LOANED, PERIODS OF LOAN, AND INTEREST

In addition, the representatives of the bank will keep a careful watch over the farmers to whom they may loan money in order to see that it is properly and economically employed for the purposes intended. Finally, the bank will lend money for periods varying from six months to five years, according to the use to be made of the loans, i.e., in the case of crops which reach maturity in a

few months, such as corn and beans, the shorter period will apply; whereas in the case of planting of fruit trees, the construction of irrigation works, or the establishment of industries such as canning, butter and cheese manufacture, etc., more extended periods will be allowed. The interest on loans will average 9 per cent per annum, and every farmer to whom the benefits of a loan are granted will be expected to take shares in the bank to an amount varying from 1 to 5 per cent of its value; this provision is intended to promote the farmer's personal interest in the operation of the bank, thereby giving it automatically an increasing field of usefulness.

A scheme of colonization of vacant lands has also been worked out, especially for colonists from Scandinavian countries; the intention is to operate this on the general lines so successfully worked out by Canada, many of the details having been adopted from those of the Dominion.

The bank has already begun operations, and contracts have already been made for the supply of cattle and farm machinery; a study is also being made of the subdivision of a portion of a large *hacienda*, with the consent of the owner, and the provision of funds for the planting of fruit trees, henequen, and other crops.

It is obvious that such a comprehensive scheme as outlined above must require time before the necessary organization can be completed in all its details. It has, however, wide possibilities, and, if successful, should lead to a greatly increased import into Mexico of agricultural implements of many kinds; from this point of view its progress is well worthy of close attention on the part of Canadian manufacturers of such products, and future development will be reported in the pages of the *Commercial Intelligence Journal*.

PERU AS A MARKET FOR CANADIAN PRODUCTS

[Subjoined is the third of a series of reports on Peru, which has been prepared by Mr. McColl after a recent visit to that country, in which he investigated the openings for Canadian trade. Those on Wheat and Flour and other Foodstuffs were published in Nos. 1160 and 1161.]

Notes on the Peruvian Tariff, Shipping Documents, etc.

TRADE COMMISSIONER E. L. MCCOLL

The Tariff

Although revenue is the chief object of the Peruvian tariff, it also functions as a protection for several infant industries—namely, cement, flour, furniture, hats, glass bottles, soap, tanning, textiles, shoes, sugar, and wines. As shoe manufacture is at present below the capacity of production owing to the competition of foreign imports, manufacturers are agitating for increased customs duties.

An endeavour is made to have the tariff operate as little as possible against the development of the country by the free entry of many instruments of production. Machinery for mining, agriculture and derivative industries is exempt from duty, while a great deal of material for public utilities receives very favourable treatment.

Previous to July 1, 1923, the tariff included 1,381 headings. On this date a revised schedule containing 2,336 classifications came into force. Details covering the imports under each heading are given in the official statistics published by the office of the General Superintendent of Customs. Duties are almost entirely specific, being largely based on the gross, net, or legal weight of the article, while a few are assessed on the measurement or number. Ad valorem assessment is used in a limited number of items, examples of which are automobiles, scales, and certain hats.

Articles which are not provided for in the tariff, or concerning which there is a doubt, may be submitted to a tariff commission for a definite classification.

There are also several super taxes, which in total reach to about 20 per cent of the regular customs duties.

Customs Clearance Charges.—Various charges and expenses in connection with the clearance of merchandise adds very considerably to the cost of entry. The following example, the value of the Peruvian sole being taken at 40 cents (Canadian), will serve as an illustration.

*Merchandise consisting of Three Cases of Photographic Cards arriving by Freight,
Value \$180, Canadian Currency*

	Peruvian Soles	
Documents, blank forms	2.50	
Dock charges, tons 0.740 @ 4.40 soles	3.26	
Additional unloading charges	5.12	
Opening and reailing of cases	1.50	
Agent's commission	5.26	17.64
Duties—		
270 kilos @ 0.40 sole	108.00	
9 per cent	9.72	
10 per cent	10.80	
Consular invoice 2 per cent on value	9.00	
Weighing 270 kilos @ 0.002 sole	0.54	
2 per cent educational tax	9.00	
Additional port tax 2.0 soles per ton	1.48	148.54
		166.18
Value of merchandise	\$180.00 Canadian	
Amount of duty 166.18 x 40 = Canadian cents	66.47 Canadian	

It seems to be impossible to make a correct and exact calculation as to the amount which a customs agent's bill will be for a given clearance of merchandise. Several examples were examined from which the above was chosen. It must not, however, be considered as final but rather as an approximation.

Parcel Post.—Merchandise coming by parcel post is subject to the following surcharges: (1) 10 per cent of duties; (2) 1 per cent of duties (for theatre); (3) 2 per cent (on value of goods for enlargement of post office building); (4) 5 per cent (on value of goods for education); (5) 2 per cent consular invoice on value of goods; (6) 20 centavos (8 cents) postal duty per parcel.

Auction of Goods Held in Customs.—All merchandise arriving at Peruvian ports, if not despatched within a certain period, is put up for public auction, to cover import duties. In the event of sale, if the net proceeds of the shipment exceed the import duties, the authorities pay the owner the amount of the excess.

The following is a list of the most important ports of Peru, together with their respective clearance time limits, upon the expiry of which merchandise not despatched is sold at public auction: Callao, Paita, Salaverry, Pisco and Pimental, six months; Mollendo, one year.

Documentation, etc.

When making a shipment of merchandise from Canada to Peru, the exporter should prepare the following documents which the importer should receive at the time the shipment arrives and which require to be on hand in order to claim and clear the goods.

- (1) One negotiable bill of lading stamped by Peruvian consul (required by customs authorities).
- (2) One viséd consular invoice (required by customs authorities).
- (3) One commercial or manufacturer's invoice (not required, but desirable).
- (4) One packing list (not required, but sometimes desirable).

Only one set of the above four documents is necessary in order to place the merchandise in the hands of the consignee, but custom calls for the despatch of

two sets by different steamers in order that one will with certainty be on hand when the goods arrive. If documents do not arrive in time, the importer will require to furnish a bond known as a *carta de fianza* issued by local banks before he can obtain possession of the shipment. A charge is made for this service.

Consular Invoice.—Blank consular invoices can be obtained from the nearest Peruvian consul upon request and without charge. Four copies must be obtained for each shipment, and these must be filled out and returned to the consulate for visé. This invoice must give an accurate description of the goods, including the kind of material, net and gross weight, identification marks, kinds of packages with the gross weight and measurement of each, the names of the consignor and consignee, the port of shipment, destination, and the name of vessel. As errors result in fines, delays, and much inconvenience to the importer, great care should be taken that all documents are filled out carefully and clearly.

Peruvian consuls are authorized to charge the following fees:—

Invoices for dutiable merchandise, 2 per cent of invoice value.

Invoices for non-dutiable merchandise, 1 per cent of invoice value.

Invoices for parcel post shipments, 1 per cent of invoice value.

Similar fees must be paid by the importer in Peru before the merchandise can be released.

Bills of Lading.—Although the bills of lading need not be certified, nevertheless they must be presented to the Peruvian consul for stamping, for which there is no charge, all expenses being covered by the consular invoice fee. Customs regulations permit bills of lading to be made out "to order." The freight paid on any shipment of merchandise must be shown on the bill of lading concerned. No specified number are required, but it will be found to be a safeguard against the non-arrival of at least one copy if two negotiable copies are prepared and legalized, one of which being accomplished the other to stand void. Several other non-negotiable bills are generally made out, as for example the steamship company may desire one, both at point of export and at destination, while the exporter may wish to have one for his records. The manufacturer or shipper should be familiar with the usual conditions contained in an ocean bill of lading. The importer cannot use a non-negotiable copy to replace a legalized one if the latter has not arrived.

Marks and serial numbers on the packages should coincide with those shown on the bill of lading, which must specify the total gross weight and/or measurement of the package on which the freight charges will be assessed.

Packing List.—The packing list which details the contents of each package or case is for the information of the importer. It enables him to place the merchandise in the correct category for customs purposes and prevents him from unwittingly making erroneous declarations on the official forms which the authorities require. Duty is assessed on the majority of articles by weight, and on a limited number by quantity or measurement, and on a very small number on an ad valorem basis. The packing list must show the marks, weight and measurement of each case, and a careful description of the merchandise with the net and/or legal weight if the merchandise is assessed on legal weight for duty purposes.

Merchandise which is assessed by weight is classified as follows:—

(a) *Gross.*—Merchandise which from its nature is shipped in sacks, rolls, bales, or if liquids or powders, in large loose tins or casks, is assessed on its gross weight.

(b) *Legal.*—Merchandise which is shipped in cases, but which is at the same time done up in immediate wrappers or paper boxes, may be assessed on the legal weight, which is the net weight of the article plus the immediate wrapper or other cover.

(c) *Net.*—Merchandise which is assessed on its weight without covering of any kind.

The wrapping or packing of goods duitable on gross or legal weight should be done as lightly as possible consistent with adequate security, having in mind the rough handling to which packages are subjected before arriving at destination.

Markings.—The gross weight in kilogrammes must be shown on the outside of each case, but country of origin is not necessary either on the case or on the article itself.

Parcel Post.—A consular invoice declaring the value, weight and content of package, must accompany each shipment. The invoice may be enclosed in one of the parcels, or it may be sent separately, in which case it should catch the same ship as there is a 25 per cent *ad valorem* fine on parcel post merchandise not accompanied by a consular invoice.

Samples.—When samples are of no commercial value and are so declared they will be admitted free of duty. Samples which have a commercial value must be declared in accordance with the regulations governing the entry of ordinary merchandise and pay duty accordingly. An erroneous or false declaration is penalized by doubling the duties. If the importer declares before clearing that he may wish to reship the entire consignment, he may make a deposit equal to double the duties providing the goods are of such a nature as to permit identification at the time re-exportation is made. There is a time limit of six months during which reshipment must be made if a refund of the deposit is to be claimed. If the importer decides to retain the samples, his deposit will be returned if the regular duties are paid before the expiration of the six months.

Examination of Merchandise Before Acceptance of Draft.—The law does not allow importers to examine merchandise in the custom house before acceptance or payment of bank draft. Merchandise may be despatched from customs by any one to whose order the documents have been extended, but the prevailing custom is to have this work done by *Agents de Aduana* (custom house brokers) who are thoroughly conversant with the rules and regulations of the custom house, and consequently able to get a shipment through in the shortest possible time.

Shipments of Foodstuffs.—A certificate made out by a competent authority (Government) stating that the products themselves, or their components, are of the highest quality, must accompany all shipments of foodstuffs and merchandise that is liable to suffer decomposition. In particular ham, lard and bacon must be accompanied by a certificate of hygiene issued by an authorized government official. This does not mean that the certificate shall contain a statement of chemical analysis. The declaration that the product (or its components) is of the highest quality is sufficient.

All foodstuffs are examined in the local custom house by a government chemist who issues a certificate covering the state in which the merchandise has arrived. If it is in bad condition, the authorities will not allow it to be despatched, but will order its immediate destruction.

Insurance.—Canadian exporters should inform themselves concerning the insurance which covers their merchandise after arrival and until it is accepted by the importer. The customs authorities, however, assume no responsibility for loss by fire while goods are in their possession.

Marine Insurance Covering Shipments to South America.—The exporter should clearly understand in detail the terms of his insurance policy which travels with the shipping documents of the merchandise leaving for South America. The policy covers risks which are not accepted by the steamship company. On the other hand, damage resulting from bad stowage or other negligence on the part of the ship's crew must be claimed for from the shipowner, as it is not recoverable under the marine policy. Merchandise is insured against "perils of the sea," but this term does not cover every kind of accident which may cause

damage. This risk does not protect against losses resulting from the normal breakage of crockery or from the leakage of liquids or due to an inherent defect in the article such as the spoiling of perishable goods through delays or the sweating of grain. If the printed policy does not fully cover all the terms of the contract desired, it is made to do so by means of additional clauses which are inserted either in writing or attached in the form of printed stickers or gummed slips of paper. If these attached clauses conflict with the conditions as printed on the policy, the attached conditions take precedence.

The exporter should be familiar with the risks to which his products are subject, taking care that those for which he desires cover are carefully specified in the policy. The provisos, exceptions and qualifications have an unpleasant habit of often depriving a shipper unexpectedly of any grounds for a claim when he had believed himself to be protected. In this connection, the consignee should be consulted, because he has a better knowledge than the shipper, through his experience in importing merchandise, of the hazards by which the articles insured may be confronted before delivery at destination. Not only should the shipper assure himself that the insurance company has an agency at destination, but he should have the claim, if one arises, payable at destination. The name and address of the agent at Lima who will adjust the claim should be on the policy or certificate. A slightly higher premium may be demanded for this privilege, but for the better protection of the consignee it is well worth the extra expense. The importer then has the whole matter in his own hands and at his end, where claims are more easily adjusted. When claims are settled at the point of export, the evidence must include details which are only available at destination. The information first given may not be sufficient to satisfy the insurance company, which results in an exchange of correspondence. As a reply to a claim could hardly arrive before the expiration of two months, the additional information required might not be available after such a lapse of time. For example, the ship would have left Lima, and instead of having returned to the port whence the goods in question had been taken on board, it might have been sent to Europe. Claims are almost always arbitrated according to the usages of the port of destination, and in this connection it should be noted that sometimes the arbitrators of a claim will object to an insurance certificate which does not contain all the necessary conditions stated in the policy. It may be well to remember that for some unexpected reason the draft covering the merchandise may not be honoured, in which case the consignor will find, if he has followed this policy, that he has acted in his own interests.

Bank Drafts and Letters of Credit

Bills should not be drawn payable with stamp and collecting charges, as drawees often refuse to pay anything except the face value of the draft. When it is necessary to draw in such a manner, instructions should be given with reference to waiving these expenses. It is advisable however that the following charges be included in the face value of the bill.

Stamp Charges.—Bills from Lp. 1 to Lp. 2 (\$4 to \$8), Lp. 0.0.04, 1.6 cents Canadian; bills over Lp. 2 to Lp. 25 (\$8 to \$100), 0.0.10, 4 cents Canadian; bills over Lp. 25 to Lp. 50 (\$100 to \$200), Lp. 0.0.20, 8 cents Canadian; bills over Lp. 50 to Lp. 100 (\$200 to \$400), 0.0.50, 20 cents Canadian. On bills over Lp. 100 stamp charge is $\frac{1}{2}$ per each thousand.

In addition to the foregoing, there is also a similar stamp charge on the equivalent in Peruvian pounds of a draft in foreign currency.

If drafts are drawn in Canadian dollars, United States dollars or sterling, the clause "Payable at the bank's selling rate for exchange on Montreal" (New York or London), should be written on the face of the draft.

When discounting a draft, with documents attached, drawn under a letter of credit in his favour, an exporter, in order to avoid delay when negotiating and also to insure the quicker handling of the merchandise at its destination, should make certain of the following:—

That the description of the merchandise in the bill of lading, consular invoice, and commercial invoice agree with each other, and that the class of merchandise is exactly as stipulated in the letter of credit.

That the marks, numbers, and weights shown on each package or case be correctly reproduced on the documents.

That all documents are extended and presented before maturity of the credit.

That when special documents, such as certificate of analysis, certificate of sanitation, or certificate of origin are demanded, they be made out by recognized officials.

That when a draft with documents attached is sent for collection, similar care should be exercised with the documents as with those accompany a bill drawn under a letter of credit. That the description of the merchandise, marks, numbers, weights, etc., be exact and similar in each document.

FOREIGN TRADE OF JAPAN IN 1925

TRADE COMMISSIONER JAMES A. LANGLEY

Kobe, March 15, 1926.—The exports of Japan in 1925 amounted to 2,305,587,000 yen, and the imports to 2,572,653,000 yen, making a total of 4,787,240,000 yen. In the first half of the year the enormous excess of imports over exports, totalling 520,000,000 yen, gave rise to some pessimism, but fortunately there was a very favourable turn in the latter half of the year, and thus the surplus of imports were reduced to something like 267,066,000 yen. This indicates a decided improvement from the domestic point of view as compared with the previous year, which showed excess of imports over exports amounting to 646,367,000 yen.

The outstanding feature of the year is that both the exports and imports showed an unprecedentedly large figure. The high record reached by the import trade in the previous year was bettered in 1925 by some 119,251,000 yen, brought about largely by a great increase in the purchases of rice, raw cotton and wool. The increased imports of rice was necessitated by the poor rice crops in Japan and Korea, while the enormous increases in those of raw cotton were partly on account of speculative deals. Imports of pulp rose by 4,301,000 yen; building materials decreased by 10,566,000 yen, paper by 9,863,000 yen, machinery and parts by 39,119,000 yen, and wheat by 3,376,000 yen. Imports of wholly manufactured articles fell off by 112,964,000 yen, but exports increased by 173,108,000 yen. Exports generally showed a sharp increase (498,552,000 yen) over the preceding year. With the exception of silk fabrics, there were increases all round. Raw silk was exported to the value of some 880,740,000 yen, and the cotton textiles exported exceeded 432,864,000 yen, a new record being created in both cases.

The exports of cotton fabrics to China showed an enormous increase, and, moreover, these goods were exported to the Near East and South Africa in fair quantities; but this is attributable to the fall of the yen. The decrease in the exportation of silk fabrics, in the midst of general increases in all other lines, may be laid down to the business depression prevailing in European countries. The imports of sundries decreased by some 100,000,000 yen, while their exports increased by a like amount. The increased exports in these goods are, of course, due to the fall of the yen, but the diminution in their imports is the result of increased protection for home industries.

CANADA'S TRADE WITH JAPAN

Exports from Canada to Japan have continued to increase even in the face of legislation passed to impede the importation of foreign manufactures and to protect home industries. In a year of general trade depression the value of

Canada's exports substantially increased: \$25,675,012 in 1925 against \$25,099,376 in 1924. The figures for 1923 and 1922 were \$21,754,553 and \$16,267,015 respectively.

JAPAN'S EXPORTS TO CANADA

The value of exports of Japanese goods to Canada showed an increase of \$2,249,618 over the preceding year (\$8,578,746 against \$6,329,618). While no detailed statements are available showing the different commodities going to Canada, it is believed that this increase is made up largely by shipments of raw silk now being brought in direct; also to manufactures of silk, silk fabrics, and piece goods, brushes, imitation jewellery, porcelain, toys, etc.

RECOVERY OF THE YEN

A gradual recovery throughout 1925 has marked the exchange market situation in Japan. The yen-dollar T.T. quotation last January was 38½, but owing to speculative purchases by Shanghai the currency began to rise in March, and continued its upward course gradually with slight variations until in December the peak reached was 43½. As the market rose the Yokohama Specie Bank, the semi-official exchange bank, followed by raising its rates. Consequently, although the trade balance continues adverse, the external value of the yen seems likely to remain strong.

As evidence of the Bank of Japan's faith in the stability of the situation, a reduction was made in the official bank rate during the closing days of 1925.

ECONOMIC CONDITIONS IN JAPAN

TRADE COMMISSIONER JAMES A. LANGLEY

Kobe, March 31, 1926.—The outstanding feature of the past month in Japan was the passing of the new Import Tariff Law, which came into force on March 29 by an Imperial Ordinance issued on that day. All shipments not in one of the Japanese open ports prior to the official announcement, and those that had not gone through the prescribed formality regarding vessels discharging cargo, were dutiable under the revised rates.

The returns of the foreign trade of Japan for the month of March and those of the corresponding month last year are as follows:—

	March, 1926	March, 1925
Exports	Yen 187,334,000	Yen 151,565,000
Imports	284,425,000	313,895,000
Total	Yen 471,759,000	Yen 465,460,000
Excess of imports	Yen 97,091,000	Yen 162,330,000

SPECIE SHIPMENT AND EXCHANGE

From reliable sources it is said that the Japanese Government is going to resume monthly shipments of specie to the United States beginning probably with April of this year at the rate of about 8,000,000 yen each month until a total of 60,000,000 yen has been reached, and for this purpose there is available 73,000,000 yen in specie. It is estimated that the total specie holdings at the end of February amounted to 246,000,000 yen, of which 73,000,000 yen were in Japan. It is generally taken that the yen-dollar rate is to be pegged at 45 cents, and this is given further weight by the fact that the Yokohama Specie Bank has maintained this as their official T/T rate during the recent upward movement of the yen, when it reached 46½. The decline in bar silver and the consequent buying of yen by Chinese speculators and merchants are other factors that lend continued strength to the exchange.

TRADE DEPRESSION

Unfavourable business conditions in the raw silk market are causing a decline in prices. Reelers are carrying on at a loss, and the repayment of loans is becoming increasingly difficult. Call loans assumed an upward tendency during the month. Business has been rather slack on the stock exchange, and prices have worked to lower levels.

With the exception of the period immediately following the earthquake in 1923, the value of commodities in the custody of the principal warehouses was the lowest during March of any period during the past seven years. Compared with figures for the two years immediately preceding the earthquake, those now available represent a decline of more than 50 per cent. This condition may be traced to the general depression.

ENCOURAGEMENT OF THE STEEL INDUSTRY

Measures for the protection and encouragement of the steel industry have been incorporated in the Steel Manufacturing Industry Encouragement Bill. Under this measure, any steel-manufacturing plant equipped to produce over 35,000 tons of pig iron and 35,000 tons of steel a year in one place will be entitled to exemption from business and income taxes for fifteen years. Partial exemption is to be given to plants intending to increase their equipment to that figure. The partial exemptions will be in force while the improvements are being made as long as everything is installed before time limit expires. Crucible or electro-steel manufacturers who produce over 2,500 tons of pig iron a year are to be entitled to similar exemptions. A Government subsidy will also be extended to cover plants manufacturing steel for the building of or repair of ships. Imports of machinery and raw materials to firms coming under the Encouragement Bill shall be exempted from import tariffs for a period of fifteen years. There are three Japanese manufacturing plants capable of producing the required amount of pig iron and steel.

PROPOSED DRAWBACK ON WHEAT

A movement is on foot among Japanese flour milling interests to secure a drawback from the Government of 1.50 yen per 100 kin on all wheat used in the manufacture of flour for export. They claim that their business will be seriously affected by the decision to raise the tariff on wheat, and point out that this will increase the cost of milling flour by 36½ sen per 49-pound sack or sufficient to put them out of foreign markets. The Japan Flour Millers' Association have under contemplation a proposal to reduce the production of flour among the members of the association, but it is very doubtful if this can be done. The mills state that as they are stocked up with high-priced wheat, they have no profitable market, and unless this drawback is given them they will not be able to take care of inquiries for Japanese flour which are now being received at 3.80 yen c.i.f. Tientsin for May delivery; 3.85 yen c.i.f. Dairen, and 3.90 yen c.i.f. Tsingato for April delivery.

A survey of the lumber stocks in Tokyo and Yokohama shows that there are about 1,120,000 koku,* of which foreign lumber, most of which comes from Canada and the United States, is between 500,000 or 600,000 koku, the balance being Saghalien and Siberian lumber. The entire amount is an increase of about 30 per cent over the same period of last year. Arrivals for the quarter have almost doubled consumption.

* 1 koku equals 120 feet B/M.

SAMPLES FOR ARGENTINA

D. FORSTER, OFFICE OF THE TRADE COMMISSIONER

[For the purposes of this report the following exchange rates have been taken: 1 gold peso = \$0.91 (Canadian), 1 paper peso = \$0.40 (Canadian).]

Buenos Aires, March 10, 1926.—The sending of samples to Argentina by parcel post should, if at all possible, be avoided. The cost of clearing parcels through the customs is excessive, and the manufacturers' agent receiving samples in such a manner is generally not disposed on his own account to pay the expenses incurred. Were the agent certain of success with the article received he would, no doubt, absorb the clearance himself, but as the possibility of obtaining orders depends upon quality and price, he considers that the manufacturers, if they have faith in the competitive value of their products, should be responsible for its initial expense. In the majority of cases therefore a manufacturer who sends anything to Argentina by parcel post should be prepared to refund the clearance costs to the consignee, unless an agreement to the contrary has been reached previously.

PARCEL POST

Parcels arriving by parcel post have to pass through the Customs House, and although the contents may only be samples, it is quite possible that duty will be charged. According to the customs regulations all parcels, whatever be their value, must pay duties, and samples not covered by the following definitions are cleared as general merchandise:—

Article 200.—The following packages shall be considered as samples: packages containing small pieces of cloth, that cannot be put to any of the uses corresponding to this article, or pieces belonging to sets, when they come of different classes, and only one or two of each sort, class or quality, as long as it only contains one or two pieces of each class or quality, and that the contents of the package be such goods as generally only come in large quantities and of one class in each package.

The duty itself is generally small, but the incidental charges are relatively high. In addition to duty, a further 25 per cent surtax on the value is charged when the parcel is consigned to private persons or to persons whose business is not registered in the country, but this is only applicable to goods included in the following sections of the customs tariff: furniture, hats and hatmakers' supplies, pottery and crystalware, textiles, made-up articles of clothing, smallware and bazaar goods, tobacco, musical instruments, and arms.

Dutiable parcels are also subjected to storage and slingage dues and to a statistical charge. These charges are based on value, weight or volume, according to their classification in the tariff, but in each case a minimum is fixed. The minimum value taken into account is 100 gold pesos (\$91) and the rate for each 100 gold pesos value is: for storage 0.50 gold pesos (\$0.46), for slingage 1 gold peso (\$0.91), and the statistical charge 0.30 gold pesos (\$0.27). When based on weight or volume these dues differ slightly. While these charges, additional to duty, might be reasonable on a case of goods, they are out of all proportion on a parcel.

Whether a parcel is subjected to duty or not, it is necessary to pay 2.12 paper pesos (\$0.85) in stamps, and 2 paper pesos (\$0.80) for the "policy" requesting despatch. [When the value of the contents exceeds 100 gold pesos (\$91), the cost of this policy is 5 paper pesos (\$2).] The actual clearing of parcels through the customs is a long and tedious job, and rather than waste the time it is practically necessary to employ a customs house clearing agent, who can clear a quantity of parcels for different persons at the same time. The fee for this service is generally from 1.50 paper pesos (\$0.60) upwards per parcel, according to the trouble which the particular parcel entailed. The minimum cost therefore of clearing a duty-free parcel is 5.62 paper pesos (\$2.25), and if dutiable it will be 9.71 paper pesos (\$3.89) plus the actual duty and surtax. If two or three parcels are being sent to the same consignee they should be included on a single set of customs declarations as if they arrive in this way the stamp charges at this end are the same as for a single parcel.

TARIFF CHANGES AND CUSTOMS REGULATIONS

United Kingdom Tariff Changes

With reference to the Budget for Great Britain and Northern Ireland introduced on April 26, Mr. Harrison Watson, Canadian Trade Commissioner in London, cables as follows: "Only tariff changes, commercial motor vehicles dutiable $33\frac{1}{3}$ per cent, and wrapping paper $16\frac{2}{3}$ per cent. Both effective first May with Imperial Preference one-third. All Imperial Preferential (including Key Industry) Duties stabilized for ten years."

There was already a duty on automobiles for ordinary use such as touring cars, but certain kinds, including trucks, etc., known generally as commercial motor vehicles, were exempt from this duty. The $33\frac{1}{3}$ per cent rate now established on commercial motor vehicles is the same as that on the motor cars formerly dutiable and the preference is also the same. There had previously been no duty on wrapping paper.

A further review of the United Kingdom tariff changes is expected by mail and will be published in a later issue of the *Commercial Intelligence Journal*.

Exporters are reminded that in order that goods may be entered under the Preferential Tariff a certificate of origin according to the prescribed form is required. Particulars regarding the form may be obtained on application to the Department of Trade and Commerce, Ottawa.

Ten Per Cent Surtax on Duties in British Honduras

The British Honduras Customs Duties Ordinance, No. 10, of 1926, to be effective from April 1, 1926, to March 31, 1927, provides for an increase of one-tenth of existing ad valorem duties with the exception of certain products, comprising mainly biscuits, butter, cheese, cocoa, coffee, confectionery, fish, fruit, and nuts, grain, flour, etc., jams, jellies and preserved fruits, lard and lard substitutes meat, milk, condensed or otherwise preserved, provisions not enumerated in any item of the complete tariff, salt, soap, molasses and syrup, tea, tobacco leaf, cigars and cigarettes. On a great many articles entering British Honduras, the British Preferential tariff has been 10 per cent ad valorem and the General tariff 20 per cent ad valorem.

The same Ordinance provides for replacing former rates of duty which had been altered by Ordinance No. 4 of 1926 (referred to in *Commercial Intelligence Journal* No. 1155, of March 20, 1926, page 386). The goods affected in this regard were silk and silk manufactures, including mixtures and imitation silk. The duties on cigarettes are now made \$3.50 per one thousand under the British Preferential tariff and \$4.50 per one thousand under the General tariff, plus 25 per cent ad valorem in each case.

Increase in the French Tariff

Mr. Hercule Barré, Canadian Trade Commissioner in France, writes under date April 10, 1926, that by a law promulgated on April 7, effective from that date, a general increase of 30 per cent in customs duties was imposed, levied on the basis of weight. Certain exceptions are made, i.e., tobacco, woodpulp, newsprint, and printing paper weighing more than 30 grammes per square metre and used in the publication of newspapers, periodicals and books. Goods obtained from Germany on reparation account will be exempted. Within three months of the enactment of the law duties on certain agricultural products not liable to customs duties since the beginning of the war (1914) will be reimposed and the 30 per cent applied. These items include cattle, meat (fresh and salted), horses for butchery, poultry, eggs, beans, lentils, and potatoes.

420. BLENDED FLOUR.—An agent in Limerick, Irish Free State, wishes to get into communication with Canadian exporters.

421. FLOUR; CANNED TOMATOES; OATS.—A commission agent at Havana, Cuba, is desirous of negotiating with Canadian exporters.

422. SHIP'S BISCUITS.—A London company ask to be placed in touch with Canadian manufacturers of ship's biscuits (cabin and navy bread).

423. BUTTER.—Peruvian importer is willing to study prices of tinned butter.

424. BUTTER.—An agent in Hamburg, Germany, wishes to act as representative for a Canadian butter exporter.

425. CHEESE.—An agent in Hamburg, Germany, wishes to act as representative for Canadian exporters.

426. BUTTER AND CHEESE.—A Bristol firm of brokers desire to represent Canadian shippers of butter and cheese; they particularly desire to hear from shippers of Western Canada butter.

427. LARD COMPOUND.—A Trinidad firm are desirous of corresponding with Canadian exporters.

428. A commission agent in Havana, Cuba, is desirous of representing Canadian exporters of fish, canned and smoked; peas, beans, flour, and oats.

429. FISH.—A Trinidad firm are desirous of corresponding with Canadian exporters.

430. CANNED AND FROZEN SALMON.—A firm of agents in Hamburg, Germany, wish to get in touch with Canadian exporters.

431. CODFISH, ETC.—Peruvian importer is willing to consider quotations on codfish and other food products.

432. CODFISH.—Peruvian importer desires to receive quotations on boneless codfish in hermetically sealed tins.

433. VEGETABLES AND FRUITS.—Peruvian importer is willing to examine quotations on preserved vegetables and fruits.

434. DRIED APPLES.—An agent in Hamburg, Germany, wishes to act as representative for Canadian exporters.

Miscellaneous

435. OATS, OILMEAL, AND BRAN.—A Trinidad firm are desirous of corresponding with Canadian exporters.

436. OATS, HAY, AND POTATOES.—A firm at Havana, Cuba, are desirous of representing Canadian exporters.

437. DRUGS AND CHEMICALS.—Peruvian importer is willing to examine offers.

438. WOOD-PULP.—Important Antwerp firm desire to hear from Canadian exporters of mechanical and chemical wood-pulp. Samples and prices per ton c.i.f. Antwerp.

439. PAPER.—Peruvian importer is willing to study offers of flat and roll newsprint, wrapping and writing paper.

440. NEWSPRINT.—An agent in Cork, Irish Free State, desires to get into communication with exporters.

441. NEWSPRINT, ETC.—Peruvian importer is willing to examine samples and prices of newsprint and other papers.

442. AUTOMOBILE ACCESSORIES.—Peruvian importer is willing to study quotations on automobile accessories.

443. AUTOMOBILE ACCESSORIES.—A firm of agents in Hamburg, Germany, wish to get in touch with Canadian exporters.

444. AUTOMOBILE ACCESSORIES.—Chilian importer is willing to receive catalogues and prices of automobile accessories.

445. HARDWARE.—Chilian importer is willing to examine catalogues and quotations on general hardware.

446. HARDWARE.—Chilian importer is willing to study catalogues and prices of hardware, including tools, corrugated iron, wire, etc.

447. HARDWARE.—Peruvian importer is willing to examine catalogues and prices of general hardware.

448. ENAMELLED KITCHENWARE.—Peruvian importer is willing to consider quotations on enamelled kitchenware.

449. PIPING.—Peruvian importer is willing to receive quotations on plain and galvanized tubing.

450. PUMPS.—Peruvian importer is willing to examine catalogues and prices of pumps.

451. TOOLS.—Peruvian importer is willing to study catalogues and prices of tools, including picks and shovels.

452. TOOLS.—A firm of agents in Hamburg, Germany, wish to get in touch with Canadian exporters of tools.

453. HAND TOOLS.—A firm in Ghent, Belgium, desire to hear from Canadian exporters of hand tools of all kinds. Catalogues and prices c.i.f. Antwerp.

454. MACHINERY.—Peruvian importer is willing to examine catalogues and prices of industrial machinery.

455. **MACHINERY.**—Peruvian importer is willing to examine catalogues and prices of all kinds of machinery, including agricultural, mining, woodworking, machine tools and other machine shop equipment.

456. **MACHINERY.**—Chilian importer is willing to receive catalogues and quotations on all kinds of industrial machinery.

457. **AGRICULTURAL MACHINERY.**—Chilian importer is willing to examine catalogues and prices.

458. **PRINTING MACHINERY AND INK.**—Chilian importer is willing to study catalogues and prices.

459. **MINING MACHINERY.**—British firm in Chile are willing to receive catalogues and quotations on mining and other machinery.

460. **WHEELBARROWS.**—Peruvian importer is willing to study catalogues and prices.

461. **MINERALS.**—An agent in Hamburg, Germany, who up to the present has been acting for a Canadian exporter of asbestos, desires to secure the agency of Canadian exporters of minerals of all kinds.

462. **WIRE.**—Peruvian importer is willing to examine quotations on wire, including galvanized for mattresses.

463. **WIRE, ETC.**—Peruvian importer desires to obtain offers of wire and general hardware.

464. **ELECTRICAL GOODS.**—Chilian importer is willing to study catalogues and prices.

465. **PAINTS AND VARNISHES.**—Chilian importer is willing to study quotations.

466. **BUILDING MATERIALS.**—Chilian manufacturers' representative is willing to examine catalogues and prices of building materials.

467. **BUILDING MATERIAL.**—Peruvian importer is willing to examine quotations on light iron building material, and also corrugated iron and cement.

468. **LUMBER.**—Important lumber importer in Peru is willing to consider quotations from Canadian exporters. Copy of specification for Douglas fir may be obtained from the Department of Trade and Commerce.

469. **LUMBER.**—Peruvian importer is willing to examine quotations from exporters of lumber. Specifications available on application to Department.

470. **WOOD GOODS.**—An agent in Cork, Irish Free State, desires to get into communication with Canadian exporters.

471. **BOX SHOOKS.**—Peruvian importer is willing to study quotations from manufacturers.

472. **BELTING.**—Peruvian importer is willing to consider quotations on transmission belting.

473. **MUSICAL INSTRUMENTS.**—Musical instrument merchant in Peru, with factory, is willing to examine catalogues and prices of Canadian musical instrument manufacturers who would be willing, if prices were suitable, to send first trial instrument on consignment.

474. **MEN'S NECKWEAR.**—A Trinidad firm wish to obtain a Canadian agency for men's neckwear.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To LONDON, PLYMOUTH AND CHERBOURG.—Antonia, May 14; Ascania, May 22; Ausonia, June 5—all Cunard Line.

To LONDON.—Brandon, May 15; Bosworth, May 22; Brecon, May 29—all Canadian Pacific; Canadian Raider, May 18; Canadian Rancher, May 28; Canadian Aviator, June 7—all C.G.M.M.

To LIVERPOOL.—Gracia, May 13; Kelvinia, May 20; Morevia, May 27—all Cunard Line; Regina, May 14; Megantic, May 22; Doric, May 29; Canada, June 5—all White Star-Dominion; Montclare, May 14; Montrose, May 28—both Canadian Pacific.

To AVONMOUTH.—Welshman, May 15; Huronian, May 29; Colonian, June 5—all White Star-Dominion.

To GLASGOW.—Metagama, Canadian Pacific, May 20; Athenia, May 14; Salacia, May 21; Letitia, May 28—all Anchor-Donaldson.

To BELFAST.—Lord Antrim, May 16; Lord Downshire, May 28—both Head Line.

To DUBLIN.—Melmore Head, May 16; Lord Downshire, May 28—both Head Line.

To SOUTHAMPTON.—Melita, Canadian Pacific, May 19.

To MANCHESTER.—Manchester Importer, May 13; Manchester Division, May 20; Manchester Corporation, May 27; Manchester Brigade, June 3—all Manchester Liners.

To CARDIFF AND SWANSEA.—Canadian Commander, May 21; Canadian Victor, June 4—both C.G.M.M.

To ANTWERP.—Melita, Canadian Pacific, May 19; Canadian Raider, May 18; Canadian Rancher, May 28; Canadian Aviator, June 7—all C.G.M.M.

To HAVRE.—Grey County, Intercontinental Transports Ltd., May 15.

To ROTTERDAM.—Laval County, Intercontinental Transports Ltd., May 27.

To HAMBURG.—Birk, Intercontinental Transports Ltd., May 31.

To ITALIAN PORTS.—Valfiorita, Lloyd Mediterraneo Italian Service, May 15.
 To COPENHAGEN AND BALTIC PORTS.—Frode, Scandinavian-American Line, May 12.
 To AUSTRALIAN PORTS.—Canadian Spinner, May 14; Canadian Traveller, June 7—both C.G.M.M.; Wirral, New Zealand SS., May 20.
 To NEW ZEALAND PORTS.—Canadian Challenger, C.G.M.M., May 25; Wirral, New Zealand SS., May 20.
 To WEST AND SOUTH AFRICAN PORTS.—Monarch, Elder Dempster Line, May 20.
 To SOUTH AMERICAN PORTS.—Bore, Houston Line, May 20.
 To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Otter, May 14; Canadian Volunteer, May 22; Canadian Squatter, June 2 (calls at Guadeloupe)—all C.G.M.M.
 To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Fisher, May 19; Canadian Forester, June 9—both C.G.M.M.
 To ST. JOHN'S, NFLD.—Emperor of Port McNicholl, Robert Reford Co., May 15.
 To ST. JOHN'S, NFLD. (via CHARLOTTETOWN).—Canadian Sapper, C.G.M.M., May 17, June 3.
 To CUBA.—Emperor of Havana, May 18; a steamer, May 28—both Robert Reford Co.

From Quebec

To LIVERPOOL.—Montroyal, Canadian Pacific, May 21.
 To SOUTHAMPTON.—Empress of France, May 12; Empress of Scotland, May 26—both Canadian Pacific.
 To HAMBURG.—Empress of France, May 12; Empress of Scotland, May 26—both Canadian Pacific.

From Halifax

To LIVERPOOL.—Sachem, May 19; Newfoundland, May 26; Nova Scotia, June 12—all Furness, Withy.
 To ST. JOHN'S, NFLD.—Sachem, May 19; Newfoundland, May 26; Nova Scotia, June 12—all Furness, Withy; Hethpool, Farquhar SS., May 22.
 To BERMUDA, ST. KITTS, ANTIGUA, MONTserrat, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Teviot, R.M.S.P. Co., May 21.
 To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, May 19.

From Vancouver

To YOKOHAMA AND KOBE.—Atago Maru, May 22; Asuka Maru, June 8—both Nippon Yusen Kaisha.
 To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Asia, Canadian Pacific, May 27.
 To YOKOHAMA, KOBE, SHANGHAI, HONG KONG AND MANILA.—Empress of Canada, Canadian Pacific, June 10.
 To YOKOHAMA, KOBE, SHANGHAI AND HONG KONG.—Empress of Australia, Canadian Pacific, May 13.
 To YOKOHAMA, KOBE, MIKE AND HONG KONG.—Talthybius, May 13; Philoctetes, June 3—both Blue Funnel.
 To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Arizona Maru, Osaka Shosen Kaisha, June 3.
 To YOKOHAMA, KOBE, HAKATA, DAIREN, TSINGTAU AND SHANGHAI.—Paris Maru, Osaka Shosen Kaisha, May 25.
 To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Niagara, Canadian-Australasian Line, June 2.
 To WEST COAST UNITED KINGDOM PORTS.—Canadian Highlander, C.G.M.M., May 31.
 To LIVERPOOL.—Loch Monar, middle May; Loch Goil, end May—both North Pacific Coast Line.
 To LONDON AND ANTWERP.—Canadian Ranger, C.G.M.M., May 10; Loch Monar, middle May; Loch Goil, end May—both North Pacific Coast Line.
 To MANCHESTER.—London Corporation, Furness Pacific Line, May 20.
 To ROTTERDAM.—Loch Monar, middle May; Loch Goil, end May—both North Pacific Coast Line.
 To BARCELONA, MARSEILLES, GENOA, NAPLES AND TRIESTE.—Duchess D'Aosta, Navigazione Libera Triestina, May 25.
 To BORDEAUX, HAVRE AND ANTWERP.—Arizona, May 21; Sonora, June 2—both Cie. Gle. Transatlantique (French Line).
 To TRINIDAD.—A steamer, Pacific-Caribbean Gulf Line, late May.
 To AUSTRALIAN AND NEW ZEALAND PORTS.—West Cahokia, Pacific-Australia Line, May 14.
 To BBISBANE, SYDNEY AND NEWCASTLE.—Roxen, Australian Service, May 20.
 To CUBA.—Finn, Cuban Service (Sven SS. Co.), late May.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne. 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

James Cormack. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

P. W. Cook. Address for letters—P. O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300. Office—North China Daily News Building, 17 The Bund, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Gutrufhaus, Neuerwall 10, Hamburg 36. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czechoslovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watermill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230, office. Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

Netherlands and East Indies

R. S. O'Meara, P.O. Box 84, Batavia, Java. (Territory covers Straits Settlements, Federated Malay States, Indo-China, and Siam.) *Cable Address, Canadian.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P.O. Box 683. Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia.) *Cable Address, Sleighing, London.*

J. Forsyth Smith, Century Bldgs., 31 North John street, Liverpool. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales). *Cable Address, Cantracom.*

Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands). *Cable Address, Canadian.*

Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, May 15, 1926

No. 1163

TABLE OF CONTENTS

	Page		Page
Market for Motor Trucks in Mexico . . .	609	Belgium's Foreign Trade—III: Imports from	
United Kingdom Budget	615	Argentina	623
Preferential Tariffs of the British Empire:		Fur Industry of France	624
British West Indies	617	Peru as a Market for Canadian Products—	
Rhodesia	617	Tools and Hardware; Machinery; Vehicles	625
Fiji	618	Foreign Trade of Argentina	631
Cyprus	618	Difficulties of an Agent	634
Western Samoa	619	Tariff Changes and Customs Regulations:	
Mauritius	619	Irish Free State Duty on Oatmeal	635
Trinidad Mailing List	619	Duty on Wireless Sets entering Irish Free	
Commercial Notes from New South Wales:		State	635
Trade Prospects from New South Wales . .	620	Term "Sheep" in United States Tariff in-	
Sydney Wool Sales	620	cludes Lambs	635
Artificial Wool	620	Tenders Invited:	
Australian Sugar Exports	620	Australia	636
Whaling in the Antarctic	621	New Zealand	636
Large Floating Dock at Newcastle	621	British Trade Commissioners in Canada . .	636
Marketing of Eggs (Northern Ireland) Rules,		Trade Inquiries for Canadian Products . .	637
1926	621	Foreign Exchange Quotations for Week end-	
New Zealand Labour Laws	622	ing May 10, 1926	638
Market for Birch Squares in South Africa .	622	Proposed Sailings from Canadian Ports . .	638
Industrial Development of Greece	622	Commercial Intelligence Service	640

MARKET FOR MOTOR TRUCKS IN MEXICO

TRADE COMMISSIONER C. NOEL WILDE

Mexico City, April 16, 1926.—While Mexico has not yet adopted the motor truck on a large scale, it would appear that conditions are highly favourable to its use; the comparative density of the population, the long distances, the extent of the agricultural, mining, oil and manufacturing industries, and the cost of present means of haulage, all suggest an enormous field for mechanical transportation, which is still almost untouched on account of the prospective purchaser not having yet been properly educated to its use.

It is only during recent years that the large automobile and truck manufacturer has troubled to investigate the possibilities in detail, and to introduce the idea of mechanical transport. Throughout the republic there are probably not more than 6,000 heavy-duty trucks in use.

PRESENT METHODS OF TRANSPORT

The chief means of transportation is by oxen and ox carts, mule or donkey (*burro*) trains, and on the backs of porters (*cargadores*). Up to ten years ago some 95 per cent of the interior transport, apart from the railways, was done by this means, and even now it accounts for probably upwards of 75 per cent of the whole. The large sugar *haciendas*, with few exceptions, still haul their cane by means of ox carts; the mines convey their ore on the backs of *burros* or *cargadores*; and the greater part of the general haulage of the country, even in or close to the largest cities, is done by the same primitive method.

A general impression exists that this is due to defective roads, but in reality it is not so. The roads of Mexico are generally somewhat rough and will only in exceptional cases bear comparison with those of more highly developed countries; but during the dry season (when traffic is most frequent) they are fairly well surfaced, and quite practicable for the modern motor truck or automobile.

There is no local industry devoted to the manufacture of motor trucks; these are imported principally from Germany and the United States. The most that can be accomplished is the manufacture of bodies, the execution of minor repairs and the conversion of passenger automobiles for use as buses and light-duty trucks.

IMPORTS FROM THE UNITED STATES

The official statistics of the Mexican Government do not provide information in regard to the total importation of motor trucks during the past few years. The greater proportion, however, come from the United States, and particulars of the trade with that country will be sufficient to give an approximate idea of the tendency of the business.

The following statement gives the exports from the United States to Mexico of commercial cars and chassis for the years shown, excluding electric cars; values are in United States currency:—

Year	No.	\$
1913	35	83,363
1918	397	524,035
1919	938	1,205,664
1920	1,238	1,973,994
1921	1,482	1,554,554
1922	983	617,085
1923	1,011	661,293
1924	1,393	828,542

No figures are available up to 1922 of the types of trucks, but the following statement gives the numbers exported in subsequent years in accordance with their capacity:—

	1922 Number	1923 Number	1924 Number
Commercial cars .....	...	...	165
Trucks up to 1 ton incl.	807	780	993
Trucks over 1 ton to 2½ tons, incl.	139	178	213
Trucks over 2½ tons	37	53	22
	<hr/> 983	<hr/> 1,011	<hr/> 1,393

VARIETIES OF TRUCKS IN USE

The introduction of motor trucks into Mexico is not yet organized on any substantial scale, and very few of the important manufacturers have established agencies in the country, in either the capital or other places. Those trucks which are in use do not represent as much as 10 per cent of the various makes known throughout the world.

The principal users of trucks are the oil companies, the mines, the large *haciendas* (farms), the breweries, the steel, tobacco, textile and other manufacturers, and the railway, express and general transportation companies. The makes of heavy-duty trucks which are best known are as follows:—

American.—White, Mack, Republic, F.W.D., Federal, Diamond T., Moreland, Packard, Pierce-Arrow, Wichita, International, Fageol, G.M.C., Brockway, and Gary.

German.—Bergman, N.A.G., Krupp, Bussing, and D.A.A.G.

French.—Berliet.

Italian.—Fiat.

There are also a number of light-duty trucks in use of a type ranging from $\frac{3}{4}$ to 1½ tons, of which the Ford, Chevrolet, Reo, and Graham are the best known.

In recent years there has been a great influx of discarded war trucks into Mexico, the prices of which were extremely low. Many excellent makes were included among these; except for the fact that service in the way of repair parts has been lacking, they have been a conspicuous success, and on account of their low initial cost have done more to popularize mechanical transport than any other individual factor. At first this influx of used trucks appeared to act as a detriment to the established manufacturer; it transpired later, however, that individuals and companies who were not in a financial position to purchase a new truck had taken advantage of the opportunity afforded by low prices, and having become convinced of the utility and economy of motor transport, are now desirous of obtaining the most modern equipment.

Among the trucks sold in Mexico in this manner may be mentioned the Locomobile, the Liberty, the Nash Quad, the F.W.D., and probably the whole of the German trucks above mentioned.

PRICES

Until recently an unusual condition existed in the motor truck business with regard to prices. During the slump of 1921 and 1922, and even in the years immediately following, manufacturers were not able to dispose of their whole output in their own country, and a number of them, in their search for new markets, were struck with the possibilities of Mexico; they shipped trucks into the country by the carload, usually accompanied by a salesman whose instructions were to dispose of them at the best prices obtainable. Early sales were made on a satisfactory basis, but as the market became saturated prices were reduced in some cases as much as 75 per cent in order to get rid of the liability of carrying heavy stocks in the country. Thus the price of motor trucks had no set standard, and cases are known where identical equipment was sold at figures varying as widely as \$750 and \$3,000.

This was a frequent, and indeed ordinary, condition up to the past two years. At the present time, however, owing to the adjustment of supply and demand on the part of manufacturers and the absorption of excess stocks, the market is becoming stabilized and prices now bear some real proportion to foreign standards and the actual value of the trucks sold.

As an example of ruling retail prices in Mexico the following quotations may be given; for the purposes of comparison, the figures in all cases represent those for 3- or 3½-ton trucks, and are for standard chassis only unless otherwise mentioned:—

A.—Two American trucks selling at \$4,200 U.S. currency, f.o.b. factory, retail in Mexico City at 10,000 pesos.

B.—An American truck selling at \$4,950 f.o.b. factory retails at 11,000 pesos.

C.—An American truck selling at \$3,500 f.o.b. factory retails at about 10,000 pesos.

D.—A German truck, the f.o.b. price of which is unknown, retails at 7,500 pesos complete with body, and ready for use.

E.—Another German makes retails for 8,500 pesos complete with body.

F.—A French make, complete with body, also retails for 8,500 pesos.

Details regarding these makes may be obtained on application to the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa, on quoting file No. T.C.-7-114.

The trucks previously mentioned as having been brought into the country from old war stocks retailed at from 3,000 to 6,000 pesos each, complete with body.

DEPRECIATION AND MAINTENANCE

Many users of trucks in Mexico, even among the large companies, do not yet understand the necessity of writing off the value of their equipment over a period of years, and therefore find themselves saddled with costs upon which they had not calculated when making their original purchases. They frequently

have a very exaggerated idea of the economies to be effected from the use of motor transport during the early period of its use; a correct estimate of such economies, however, is sufficiently impressive to need no concealment even after full allowance for depreciation is made, the cost being at least 50 per cent lower than that of the usual means of transport by mule, donkey, or ox cart.

An expert states that first-class trucks should be written off at the rate of 20 per cent per annum, and under the extremely difficult operating conditions which are frequently met with, this will often have to be increased to 25 per cent. In the case of equipment of lower quality, it is not safe to estimate depreciation at less than 33 $\frac{1}{3}$ per cent, and it is sometimes advisable even to write the whole off in two years.

With regard to maintenance, one of the chief drawbacks to motor transport in Mexico has been the lack of facilities for this purpose after purchase. This has acted as a strong deterrent to repeat orders, especially in the case of *haciendas*, mines, and other prospective buyers whose operations are conducted at long distances from large cities. It is obvious that when a purchaser of a heavy-duty truck has a breakdown and finds it necessary to wait a period of months before obtaining repair parts from the manufacturers, he becomes opposed to its use. The point is so important, and has led to such frequent difficulty, that it cannot be over-emphasized. In recent years the necessity of repair service has been partially realized by certain manufacturers, and to make some provision for it.

The Mexican, be he landowner or manufacturer, is not slow to grasp the saving which can be effected by modern means of transport, and were he reasonably sure that his equipment could be kept in good running condition without the disastrous delays consequent on breakdowns, the motor truck would become very popular.

NATURE OF MARKET

It must be admitted that the general purchaser of motor trucks in Mexico has not been educated up to the idea of quality; price is still a very important factor, and it is likely to be some time before he realizes that he can only hope to buy exactly what he pays for—in fact, it is obvious from what has been said above that he has been led to believe the opposite in the past. Motor transport is such an obvious improvement over his present methods that anything appears good enough and, as is frequently said, "a truck is a truck." For this reason, cheaper grades have had a more favourable reception than those of higher price. This, however, is a step in the right direction, as once a user has become familiar with their benefits and accustomed to their use, he soon begins to look around in order to find in what way he can effect still greater economies in his transportation system; thus a market is gradually being developed for the more expensive type of truck, which will automatically increase as time goes on.

METHOD OF REPRESENTATION

Representation is usually placed in the hands of general distributors, who receive payment by means of commissions which amount to from 20 to 30 per cent of list prices f.o.b. factory. The distributor pays freight, duties, etc., which he naturally passes on to the customer.

Contracts with distributors generally call for payment for all trucks, whether sold direct to them or to customers, before they cross the Mexican border; this also applies to all spare parts and accessories. These conditions appear to be somewhat onerous, and as a result it has been found in practice extremely difficult to secure suitable representation on account of the necessity of employing large capital in order to carry an adequate number of trucks and spare parts in stock. The difficulty is increased by the fact that money in Mexico at the

present time is extremely tight, and few people are willing to invest considerable sums in a business which at first must necessarily be something of a gamble.

It is true that a few firms have recently extended more advantageous terms to their distributors; this, however, is not a general rule, and is merely mentioned as indicating that a new competitor in the field will probably have to take similar action in order to overcome the initial advantage gained by agents to whom such facilities for payment have been granted.

The general distributor always maintains a number of cars for demonstration purposes, and also for immediate delivery when required. Thus he requires adequate warehouse accommodation, and showrooms on a prominent street are an advantage.

Hitherto, trucks have practically never been shipped to distributors or agents in Mexico on consignment. This is due to the fact that consignment agreements, as at present drawn up by manufacturers, specify that trucks must be paid for in full before they pass out of the physical possession of the agent. Thus the distributor has to put up the capital for purchase before he can make a sale, and the only advantage gained is that the truck is on his floor and is available for exhibition purposes for a more or less limited period. The actual capital required, however, is as great as though he had paid in advance.

It is believed that a manufacturer who is prepared to make concessions in terms of payment and willing to assist in the financing of purchases would be able to make his selection of a representative from a much wider circle, and would gain an advantage in volume of sales which would more than compensate him for his initial outlay. If it were intended to make a serious effort to enter the market, it is probable that a better method of representation would be to open a branch office, at any rate until the truck became known and a demand for it created. So far as can be ascertained, only one company has adopted this method up to the present time, and their apparent sales lead to the belief that it has met with success.

SELLING POINTS

It will be seen that the salesman of motor trucks in Mexico has to deal with conditions which are in many respects of a highly unusual nature. A complete survey of the position requires reference to other points with which he will come into contact, a few of which are mentioned below.

The Seasons.—It must be remembered, when attempting to sell automotive equipment in Mexico, that seasonal variations exist which are met with in few other countries. There is a period of the year (varying in different parts, but usually from December to June) known as the "dry season", during which practically any kind of mechanical transport can be used with great success; there is also the "wet season", during which no form of wheeled traffic whatever is possible on country roads, and even the use of mules and donkeys is found impracticable. There is nothing like an all-the-year service in Mexico. It is therefore essential for the salesman to be frank with prospective buyers on this subject. The practice of selling motor trucks by magnifying their possibilities has been the cause of a great loss of business throughout the republic in the past.

Sales to Haciendas.—A wide market for mechanical transport exists among the large *haciendas* which are devoted principally to the cultivation of sugar, corn, maize, tobacco, *maguey*, and other food crops. These *haciendas* vary in size from 5,000 to many hundreds of thousands of acres, and have on them what is virtually a small town, the inhabitants of which are employed by the estate. A child born in this town is automatically considered as entitled to employment on the *hacienda* as soon as he is able to work; he must be given employment as long as he is capable of performing it, and be maintained either indirectly or

directly after his period of usefulness is past. It is thus difficult to economize by doing away with an excessive amount of labour, yet one motor truck will do the daily work of thirty ox carts, each hauling (say) about three-quarters of a ton of sugar cane and moving at two miles per hour. When it is considered that many *haciendas* during the cutting season haul over 500 to 2,000 tons of cane, the effect upon employment is at once apparent, and the owner of the *hacienda* inquires what is to become of the man deprived of work. This situation does not apply to the mining and oil companies to the same extent, but nevertheless it is an important factor, and the salesman must expect to be confronted with it at every turn. The answer, of course, is that the increased production and increased profits due to mechanical transport provide greater opportunities for employment in other directions, and do not necessarily mean the employment of a smaller total amount of labour.

Gasolene and Oil.—Another difficulty met with outside the large cities is in connection with the cost of gasolene and oils; this becomes very expensive by the time users situated in remote parts of the country are reached, and a salesman should be prepared to provide estimates in connection with their transportation, and even if necessary to facilitate their delivery by every means in his power.

Selection of Salesman.—The selection of a salesman requires care. He should have a fluent speaking knowledge of Spanish, and be familiar with Mexico by long residence and travel in the country. He should also have some knowledge of its customs and prejudices, and be able to meet the prospective purchaser "on his own ground". Anything in the nature of "high-pressure" salesmanship is to be deprecated, and patience, combined with courtesy and good temper, is essential.

CUSTOMS DUTIES

The tariff in Mexico upon motor trucks is 10 per cent *ad valorem*, with surcharges over and above the duty of 10 per cent and 2 per cent of the duty for federal and municipal purposes respectively; this is equivalent to a total duty of 11.2 per cent *ad valorem*. Duties are calculated upon the value delivered at the international border if shipped all rail, or the port of embarkation if shipped by the sea route. The charge for certification of consular documents is 5 per cent of the value of the invoice, and the correct method of preparation of these documents is detailed in a pamphlet which may be obtained on application to the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa.

As a general rule, motor trucks from the United States enter Mexico by rail and are shipped in the assembled state without packing. One ordinary railway box car generally contains two motor trucks of 3-ton capacity or upwards.

GENERAL REMARKS

It will be observed that Mexico offers many problems to the exporter of motor trucks. Local conditions require careful study, and continuous effort, combined with good organization, are necessary to secure a substantial volume of sales. At the same time the country provides in many respects a virgin field for motor transportation; the educational work done during recent years by the means outlined in this report have prepared the mind of the public for its introduction on a much larger scale than has yet been the case, and there appears to be no doubt that the demand will be multiplied enormously during the next few years.

For this reason, manufacturers in Canada will be well advised to keep in touch with the situation, in order to take advantage of the opportunities as they occur.

UNITED KINGDOM BUDGET

TRADE COMMISSIONER HARRISON WATSON

London, April 27, 1926.—Although the Budget introduced into the British House of Commons last night does not include any distinct novelty, with the exception of the 5 per cent tax to be levied on betting in connection with horse racing, it contains several features of considerable importance.

While most of the proposals and alterations are mainly of domestic interest, the Budget is of definite Imperial importance in so far that it stabilizes the policy of Imperial preferential import duties by definitely adopting them for a term of years. Moreover, several of the changes are of direct value to Canada in so far as they affect commodities which are being produced in the Dominion and are already being exported to this country in considerable volume.

It is therefore advantageous to explain the chief points at the earliest possible moment, bearing in mind that as the Budget was only introduced last night, further details may be forthcoming regarding certain items.

CUSTOMS AND EXCISE DUTIES

As motor cars occupy a prominent position in the Budget, it is desirable to deal with them in the first place.

Commercial Motor Vehicles.—The existing McKenna duties specifically exempt from the import duty of 33½ per cent motor trade vehicles, ambulances, fire engines, and omnibuses. It is proposed to repeal this exemption from May 1 next, from which date imported commercial vehicles will be subject to a duty of 33½ per cent with an Imperial preference of one-third off the full duty.

Moreover, from the 1st January, 1927, it is proposed to place an increased license tax on heavy motor vehicles of all kinds. This includes not only commercial cars, trucks, tractors and locomotives, but the huge pleasure vehicles, charabancs. The explanation given is that as heavy vehicles cause exceptional damage to roads, it is only reasonable that they should pay proportionately greater share of the cost of necessary repairs.

Incidentally, the Chancellor stated that it is hoped, during the lifetime of the present Parliament, to substitute a motor spirit tax for the existing license duties based upon horse-power. Existing difficulties are such, however, that no immediate action can be taken.

Wrapping Paper.—The Government now reintroduce the Safeguarding duty on packing and wrapping paper, which exigencies of the moment caused to be held over when similar duties on cutlery, gloves, and gas mantles were adopted last year.

It is proposed from May 1 next to levy a duty on imports of packing and wrapping paper of 16½ per cent, with a special rebate of one-third in favour of goods produced within the Empire.

Imperial Preference.—It has been decided that, as regards McKenna, Safeguarding and all other import duties where Imperial preference is given, the duties shall remain in force for a period of ten years from now.

Key Industry Duties.—It was only last week that the Special Committee appointed by the President of the Board of Trade issued a report favouring the continuation of the key industry duties, and making certain suggestions. [Details of these recommendations were given in a report which was published in our last issue, page 584.]

The statement made by the Chancellor of the Exchequer shows that the Government is adopting most of these proposals.

In the first place it is decided to continue Part I of the Safeguarding Industries Act (i.e. the key industry duties) for a further period of ten years from August 19 next at the present rate of $33\frac{1}{3}$ per cent *ad valorem*.

An alteration, however, is that from May 1 the rate on optical glass and instruments will be raised to 50 per cent *ad valorem*, and the rate on arc lamp carbons fixed at 1s. per pound. Further, the import duty is to be extended to cover component parts of optical instruments at the rate of 50 per cent *ad valorem*; and component parts of scientific instruments. Simultaneously, amorphous carbon electrodes, not including primary battery carbons or arc lamp carbons; molybdenum, ferro-molybdenum, and molybdenum compounds, and vanadium, ferro-vanadium, and vanadium compounds, but not including ores or minerals of molybdenum or vanadium, will be brought within the scope of the Act on the 1st May and subjected to an import duty of $33\frac{1}{3}$ per cent.

No reference was made in the speech to another recommendation of the Committee, that the proportion of the value of goods manufactured within the Empire which is the result of Empire labour should be raised from 25 to 75 per cent in order to qualify for Imperial preference.

INCOME TAX

It was announced that the Government has decided (after full consideration of the representations made to them, both in favour and against the procedure) to discontinue the present system for estimating the amount of income tax payable under Schedule D (i.e., income derived from trades, professions, interest, etc.). Up to the present, the basis adopted in calculating income tax under Schedule D has been the average for the previous three years. Commencing from April 1, 1927, the return made by the taxpayer is to be based exclusively on the figure for the preceding year.

This decision is principally of importance to the inhabitants of the United Kingdom, but the matter also affects Canadian firms who are liable to pay United Kingdom income tax.

MR. H. R. POUSSETTE'S ITINERARY IN CANADA

Mr. H. R. Poussette, recently appointed Trade Commissioner to India and Ceylon, is at present on a business tour in the Dominion in the interests of Canadian trade not only with India and Ceylon but with his former territory in the British West Indies, which includes Trinidad, Barbados, and the Windward and Leeward Islands, as well as British Guiana, Porto Rico, and Venezuela. The following is the first part of his itinerary:—

Toronto, Oakville and northern towns	May 7 to 25.
Hamilton	May 26 to 28.
Border Cities	May 31 to June 2.
London	June 3 and 4.
Stratford	June 7.
Guelph	June 8.
Preston and Galt	June 9 and 10.
Brantford, Paris and Woodstock	June 11 to 15.
St. Catharines, Welland and Niagara Falls	June 16 to 18.

MR. A. B. MUDDIMAN'S ITINERARY IN CANADA

Mr. A. B. Muddiman, formerly Canadian Trade Commissioner in Singapore, who is on his way to Rotterdam, is also making a business trip in the interests of Canadian trade with Straits Settlements, Siam, and the Dutch East Indies, as well as with Holland.

The following are the later dates in his itinerary:—

Quebec	May 13 to 16.
Halifax	May 17 to 19.
St. John	May 20 to 22.

PREFERENTIAL TARIFFS OF THE BRITISH EMPIRE*

WILLIAM GILCHRIST, CHIEF, FOREIGN TARIFFS DIVISION

British West Indies Customs Tariffs

Duties on manufactured goods under the tariffs of the British West Indies, British Guiana and British Honduras are fairly well indicated by a prevailing *ad valorem* rate which applies to a very wide range of articles that may or may not be specified by name in the duty schedules. This prevailing or typical rate of duty would apply in the main to such goods as hardware, cutlery, brooms and brushes, clothing and other textile products, boots and shoes, leather and rubber goods, glassware, electric apparatus, automobiles, furniture, confectionery, medicines, stationery, toys and games, and to all "unenumerated" goods. These rates, which have so wide an application in the colonies, are:—

	British Preferential Tariff Per Cent	General Tariff Per Cent	Surtax on Duty Per Cent	
Trinidad	ad val.	10	20	7½
Barbados	"	10	20	
British Guiana	"	20	40	
British Honduras	"	10	20	10
Grenada	"	15	22½	
St. Lucia	"	10	15	17½
St. Vincent	"	10	15	10
Dominica	"	10	15	5
Antigua	"	10	15	
Montserrat	"	10	15	
St. Kitts-Nevis	"	10	15	
Virgin Islands	"	8	12	
Jamaica	"	15	20	
Bahamas	"	9½	12½	

Articles of interest to Canada, excluded from the foregoing category in nearly all the colonies, are grain and grain products, live animals, meats, butter, cheese, refined sugar, fish, bread and biscuits, candles, oils, spirits, lumber, cement, and certain others. These are subject to duty on a quantity basis. The preference stipulated for flour was one shilling per barrel, but usually the preference reduction from the general tariff is of the same proportion for goods subject to specific duty as for goods subject to *ad valorem* duty, namely, a 50 per cent reduction in Trinidad, Barbados, British Guiana, and British Honduras; 33½ per cent in the Windward Islands (Grenada, St. Lucia, and St. Vincent), Leeward Islands (Dominica, Antigua, St. Kitts-Nevis, Montserrat, and Virgin Islands); 25 per cent in Jamaica and the Bahamas. In each colony there is a considerable list of goods which enter duty free, no matter from what place arriving.

The foregoing duties relate to the customs tariffs in force at the present time, and to the Canada-British West Indies Trade Agreement of 1920. The new 1925 Trade Agreement, not yet in force, provides for some larger preferences. (See *Commercial Intelligence Journal* No. 1119: July 11, 1925.)

Rhodesia

There is a tariff preference for Canadian goods in Southern Rhodesia and in the Zambesi Basin of Northern Rhodesia. The part of Northern Rhodesia in which there is no preference for British goods is that known as the Congo Basin. The tariff classification in Northern Rhodesia follows that of the Union of South Africa Tariff, 1914, while the classification in Southern Rhodesia is modelled

* Articles on Preferential Tariffs in the British Empire applicable to Canadian goods, appeared in recent issues of the *Commercial Intelligence Journal* as follows: "Canadian-Australian Trade Agreement," No. 1131, (October 3, 1925, p. 337); "South African Preference on Canadian Goods," No. 1150, (February 13, 1926, p. 218); "Canadian Trade with New Zealand and the Tariff Preference," No. 1159, (April 17, 1926, p. 487.)

after the South African Customs Tariff of 1925. While there is some difference in the text of the two tariffs, it is understood there is no difference in respect of the duties leviable or the preferences, although it is difficult to make an exact comparison of the tariffs on account of the departure from a common classification. On a certain class of goods, including a good many food products, there are specific duties and, in most cases, a specific amount of preference is allowed on each item. On many commodities there is a tariff preference of 3 per cent *ad valorem*, this being the prevailing or typical amount of preference. However, there are important exceptions, the preference being 11 per cent on a wide range of dutiable products which were unenumerated in the old South African customs tariff.

Fiji

Under the tariff of Fiji imports from Canada are given a preference of 12½ per cent *ad valorem* in the case of goods subject to *ad valorem* duties, and a preferential rate of one-half of the general tariff in the case of nearly all articles subject to specific duties. The prevailing *ad valorem* rates of duty are 27½ per cent general tariff and 15 per cent preferential tariff. Agricultural implements and various kinds of machinery are exceptions to these duties, the rates being 22½ per cent or 20 per cent, general tariff, with the usual reduction of 12½ per cent *ad valorem* in the schedule of preferential rates. Animals are also an exception, being dutiable at 12½ per cent, general tariff, and free under the preferential tariff. There are a few other exceptions. The subjoined statement contains a list of some of the articles subject to specific duties. The rates of duty quoted are those of the preferential tariff. The rate under any of these items applicable to imports of foreign origin would be double the rate quoted.

		Rate of Duty		
		£	s.	d.
Bags, paper	per cwt.	0	3	0
Biscuits, sweetened or fancy	per lb.	0	0	1
Biscuits, other	per lb.	0	0	½
Bran	per 100 lbs.	0	0	10
Candles	per lb.	0	0	1
Cement	per cwt.	0	0	8
Confectionery	per lb., or pint	0	0	3
Dynamite, and similar explosives	per lb.	0	0	6
Flour, including seconds, thirds and fourths, sharps and pollard	2,000-lb. ton	1	0	0
Grain and pulse, not otherwise enumerated	per bus.	0	0	6
Hops	per lb.	0	0	3
Iron, black, in bar, hoop, rod, sheet, or plate	per ton	1	10	0
Iron tanks, black or galvanized	each	0	10	0
Matches, in boxes containing under 100 matches	per gross boxes	0	3	0
Meats, including game, dried, preserved, salt, or chilled, not otherwise enumerated	per lb.	0	0	1
Nails, not otherwise enumerated	per cwt.	0	3	0
Oats	per bus.	0	0	6
Paints, in oil, dry colours, including dryers	per cwt.	0	4	0
Paints, mixed, ready for use	per cwt.	0	7	0
Palings split, not otherwise enumerated	per 100	0	2	0
Paper, brown, and wrapping	per cwt.	0	3	0
Posts, and rails, split, not otherwise enumerated	per 100	0	2	0
Shingles	per 1,000	0	2	0
Soap, plain, hard or soft	per lb.	0	0	1
Starch	per lb.	0	0	2
Steel, mild, in bar, rod, sheet or plate	per ton	1	10	0
Sugar	per lb.	0	0	½

In addition to ordinary duty, there is a port and customs service tax in Fiji of 1¼ per cent *ad valorem*.

Cyprus

Many articles are provided for in the tariff of Cyprus under the heading of unspecified goods. The general tariff rate on this item is 15 per cent *ad valorem* and the British preferential rate (applicable to Canada) is 12½ per cent *ad valorem*, the preferential rate being five-sixths of the full rate. A preferential

rate of two-thirds of the full rate, whatever it may happen to be, is granted on musical instruments and parts thereof; clocks and parts thereof; watches and parts thereof; cinematograph films; beer, ale, porter, and all other malt liquors; cotton yarns and thread; cotton piece goods; matches; soap; woollen yarns and thread; woollen manufactures; earthenware and china; furniture; haberdashery and millinery; dyes; and wine, sparkling. On other wines the preferential rate is 60 per cent of the full rate; on spirits of all sorts, spirituous compounds, liqueurs and cordials, 95 per cent of the full rate. Motor cars and motor cycles and parts are dutiable at 30 per cent *ad valorem* with a British preferential rate of 10 per cent—i.e. one-third of the full rate. Among the duty-free articles mentioned are stationery, printing paper, barley, oats, bran, fodder for cattle, tools and implements used in agriculture and handicrafts, machinery and parts of machinery and their fittings, connections and gearing, and pig-iron.

Western Samoa

With only a few exceptions notable for tobaccos, the rates of duty on goods entering Western Samoa (mandated territory) are 22½ per cent general tariff and 15 per cent British preferential tariff, Canada being entitled to the preferential rate. The following are among the articles exempt from customs duties in this colony: printed literature, including printed music; fresh vegetables and fresh fruit; meat, fish, and poultry, if frozen and not in airtight containers; butter; honey; manures; copra sacks and cocoa sacks; shooks of undressed wood; machinery, implements, and materials for the establishment or development of local industries, if approved by the Administrator and published by him from time to time in the *Western Samoa Gazette*.

Mauritius

Mauritius has a British preferential tariff on certain goods, which preferences are accorded to Canada. On motor vehicles other than motor lorries, accessories and component parts, including tires and tubes, the general tariff rate is 20 per cent *ad valorem*, British preferential rate 12 per cent *ad valorem*. On the following goods the general tariff is 15 per cent *ad valorem* and the British preferential tariff 12 per cent *ad valorem*: biscuits (sweetened) and cakes; cinematograph films; clocks and parts thereof; confectionery, plain and fancy, of all kinds, compounded, made or preserved with sugar; glassware, exclusive of sheet glass and surgical and laboratory appliances; jewellery of all kinds; motor lorries and accessories, and component parts and tires and tubes; musical instruments, including accessories and component parts; perfumery and toilet preparations and articles used in the manufacture thereof; silk manufactures, including artificial silk and articles having principally silk or artificial silk worked thereon; and toys and games, including athletic requisites. The other item on which there is a preference is indigo, Prussian blue and ultramarine blue, general tariff rate being 2.50 rupees per kilogramme and the British preferential rate 2 rupees.

NOTE.—There are tariff preferences on certain goods in Great Britain and Northern Ireland and the Irish Free State.

TRINIDAD MAILING LIST FOR MAIL ORDER HOUSES

Mr. James Cormack, the Canadian Trade Commissioner, Port of Spain, Trinidad, has recently compiled a mailing list which is suitable for Canadian exporters operating a mail order business. This list would also be suitable as a guide in the despatch of catalogues. A copy is on file in the Department of Trade and Commerce at Ottawa and will be loaned on application.

COMMERCIAL NOTES FROM NEW SOUTH WALES

COMMERCIAL AGENT B. MILLIN

Trade Prospects in New South Wales

Sydney, April 8, 1926.—During the last six months the whole of Australia has suffered from one of those prolonged dry spells to which the continent is subjected periodically. In many parts of the country it had already reached drought proportions, particularly in the states of Queensland and South Australia.

Although conditions in New South Wales were less serious than in some of the other states, stock losses in the outback districts have been very heavy. Fortunately the rains which are generally received in February have just fallen heavily and, although late, have saved the situation. There is therefore a much improved feeling in financial and business circles and a healthy optimism in the trade outlook. The pastoral outlook has been immeasurably improved and the wheat-producing areas have received such a soaking as to remove all doubts from the minds of the farmers.

Sydney Wool Sales

The nineteenth series of Sydney wool sales, which closed last week, was marked throughout by a strong general demand, which resulted in very satisfactory clearances both as regard volume and values. Market conditions lately have been favouring sellers, and values have tended towards increased firmness. The general average of prices is good, and returns per head of sheep are proving highly satisfactory.

The French section of buyers continues to specialize in superfine sorts, and lines suited to the demand from North America move off freely at firm prices. The breadth and demand of Yorkshire buyers is excellent, and reveals a wider feeling of confidence than at any previous point of the season. The Japanese section is very active. The German demand for skirtings has been a feature of the sales. A specially keen demand has prevailed for comebacks and cross-breeds, for which prices are buoyant.

The value of wool sold in the Commonwealth of Australia since the beginning of the season in July last to the end of February was approximately £42,000,000.

Artificial Wool

Samples of the product of a recent invention described as likely to be a serious competitor to wool have recently been on view at Sydney and have aroused great interest in the trade. Synthetic wool is at present in the experimental stage, and its production quite in its infancy, but it would be foolish to disregard entirely the possibility that it may come in some measure into competition with wool. An encouraging fact from the woolgrower's point of view is that the world's wool-using population is increasing. Especially is this noticeable in the East. On the other hand, production, handicapped by seasonal and other influences, is at best stationary, and does not seem to fully meet world requirements.

Australian Sugar Exports

The net value of the sugar exported overseas from Australia last year was £2,409,000. In the coastal areas of Queensland, where most of the Australian sugar is grown, crops have suffered from drought, but late rains have done much to restore the damage. Present indications point to a yield of about 490,000 tons for this year.

Whaling in the Antarctic

For several years past whaling operations have been successfully carried out by a Norwegian whaling company in Ross Sea. The mother ship and the steam whalers recently returned to their base in New Zealand, and are reported to have taken about £400,000 worth of whale oil during the expedition.

Large Floating Dock to be Built at Newcastle, N.S.W.

According to the latest tonnage figures, the port of Newcastle (60 miles north of Sydney) is the third largest port of Australia, ranking next after Sydney and Melbourne. The New South Wales State Government has just decided to build a floating dock for that port of 15,000 tons capacity. It will be built at the State Dockyard, Newcastle, and is estimated to cost £600,000, of which the Commonwealth Government has agreed to contribute the sum of £135,000, as the dock will be large enough to take war vessels of any size. Owing to the absence of plate-rolling mills in Australia, a large number of steel plates will have to be imported, but much of the material will be supplied by the Broken Hill Company's steel works at Newcastle.

MARKETING OF EGGS (NORTHERN IRELAND) RULES, 1926

TRADE COMMISSIONER G. B. JOHNSON

Glasgow, April 23, 1926.—The Ministry of Agriculture of Northern Ireland have made certain amendments in the Marketing of Eggs Rules. Those which may interest or affect possible Canadian shippers are as follows:—

Cases.—Cases for the carriage of graded eggs by public conveyance must be new. The only exception is that the cases (new in the first instance) in which eggs have been cold-stored may be used once for the despatch of the eggs from cold store. Similarly cases in which eggs are delivered to premises for pickling and preserving may be used once for the subsequent despatch of such eggs from those premises.

Testing.—No material changes have been made in the article relating to testing, but the following tests have been prescribed for cold-stored and pickled eggs:—

Cold Storage Eggs.—An egg shall be rejected on test if it is opaque or black, the yoke anywhere in contact with the shell, or if the white has become tinted.

Pickled Eggs.—An egg shall be rejected if it is opaque or black, or a portion is bad in appearance or similar in appearance to a slightly boiled egg, and also if the white is cloudy and discoloured.

Grading.—The grades shall be as follows:—

- Grade 18-pound for eggs weighing not less than $17\frac{3}{4}$ pounds per 120.
- Grade 17-pound for eggs weighing not less than $16\frac{3}{4}$ pounds per 120.
- Grade 16-pound for eggs weighing not less than $15\frac{3}{4}$ pounds per 120.
- Grade 15-pound for eggs weighing not less than $14\frac{3}{4}$ pounds per 120.
- Grade 14-pound for eggs weighing not less than $13\frac{3}{4}$ pounds per 120.

It is of importance to note that closer grading will be expected in future. A memorandum to this effect has already been issued, the main point of which was to show that the minimum weight of any egg which may be included in a grade has been fixed by the following provision:—

No egg shall be included if 120 of the same weight would fall short of the nominal weight of the grade by more than 1 pound; i.e. for instance, in the 16-pound grade no egg should be included which weighs less than 2 ounces (equals 15 pounds per 120).

Eggs intended for cold-storing must be graded prior to deposit; those intended for pickling or preserving need be graded only on withdrawal. It is

open, however, to any merchant to grade eggs prior to pickling or preserving, and in such case they need not be graded on withdrawal if the grading has not been altered in the meantime.

Marking of Cases.—No alteration in the prescribed marks has been made, but letters of not less than $\frac{3}{4}$ -inch will in future be allowable. This change does not affect the markings prescribed by the act for preserved, cold-stored, or pickled eggs.

NEW ZEALAND LABOUR LAWS

Canadian manufacturers who are interested in offering on various contracts, tenders for which are invited periodically by the Government of New Zealand, may care to have on loan a précis of the Labour Laws of New Zealand, together with the lists of awards which have already been made. Several copies are on file at the Department of Trade and Commerce, Ottawa, and are there available on application to the Director, Commercial Intelligence Service (quoting file No. 18393).

MARKET FOR BIRCH SQUARES IN SOUTH AFRICA

Mr. G. R. Stevens, Canadian Trade Commissioner, Cape Town, in response to inquiries writes that, although there is no market for spool wood proper in South Africa, there is a limited market for birch squares as used in the turnery and furniture-making industries, if prices are competitive. Interested Canadian firms who are in a position to ship birch squares should send at once quotations c.i.f. South African ports, to include 4 per cent commission for the representative, in which case the entire furniture trade will be canvassed at regular intervals by agents who are selling other furniture-making woods.

Canadian exporters should take care to define their grades precisely owing to the fact that, in the case of many wood products, South African importers purchase second, and third-class quality, and the only way to provide against complaints is to have the grading carefully specified prior to the opening of business negotiations.

As a guide to Canadian shippers in determining their prices on a c.i.f. basis, the rate at present is \$40 per standard of 165 cubes or, approximately, \$20 per 1,000 feet board measure.

INDUSTRIAL DEVELOPMENT OF GREECE

The various small industries at present being carried on in Greece are insufficient to meet the needs of the country, states the "Survey of Overseas Markets," issued by the Committee of Industry and Trade (H.M. Stationery Office, price 6s. net). Most of the factories are quite small and cover widely different trades, perhaps the most important individual industry being the tobacco trade. It is from the growth of exports, however, that the real return of Greek prosperity must arise. It is a truism to say that Greece lives by the export of currants, but trade in staple commodities such as currants, or emery, depends for success very largely upon a scrupulous adherence to the quality of the goods offered. Complaints have, however, been made that the grades of these two commodities are no longer maintained up to previous standards. In the case of emery it has led to an increased manufacture of an artificial product, which is driving the natural product off the market. As the exports from Greece are nearly all natural products, and principally consist of such things as currants, tobacco and wine, such variations as exist are chiefly the result of natural causes.

There are considerable signs of prosperity and trade revival to be observed in Greek ports, especially at Piræus. One view of these signs is that it is a symptom of a genuine desire to restart trade after a decade of war, but it is also contended that it is, at least in part, the transient effect of the various difficulties which beset shipping companies who would otherwise use the port of Constantinople.

BELGIUM'S FOREIGN TRADE

TRADE COMMISSIONER YVES LAMONTAGNE

III

Imports from Argentina, 1925

Brussels, April 15, 1926.—As stated in *Commercial Intelligence Journal* No. 1157 (April 3, 1926), the two principal non-European countries trading with Belgium are the United States and Argentina. In 1925, according to Belgian statistics, imports from the former formed 12.2 per cent of the value of Belgium's total imports from all countries, whereas imports from the latter amounted to 8 per cent of the total. An analysis of these imports will be most useful as a guide to the nature of the articles which Canada should be able to export to this country.

IMPORTS FROM ARGENTINA*

It will be seen from the following table that animal and vegetable products accounted for 98 per cent of Belgium's imports from the Argentine.

IMPORTS INTO BELGIUM FROM ARGENTINA IN 1925

Group	Quantity Kg.	Value Francs	Per Cent (Value)
Live animals and animal products	62,197,814	311,144,528	21.9
Grain, fruit, vegetables and products	913,653,585	1,078,872,281	76.0
Ores and minerals and products	8,263,910	3,387,994	0.2
Food products, beverages and tobacco	2,300,397	16,419,215	1.2
Chemical and pharmaceutical products	6,137,668	10,187,321	0.7

Grains formed approximately three-quarters of the value of Argentine's exports to Belgium last year. In millions of francs these were: wheat, 524.6 (384 million kg.); corn, 395.2 (403 million kg.); oats, 41 (47 million kg.); barley, 21.8 (21.5 million kg.); linseed, 78 (42 million kg.); buckwheat, 9.8 (13.5 million kg.); and rye, 1.2 (1.3 million kg.). Included in the vegetable products group was raw cotton to the value of 4,377,870 francs.

The second largest group is animals and animal products, which makes up nearly 22 per cent of the total imports. The chief item is frozen or chilled beef (47.3 million kg. valued at 187,435,000 francs). The total imports of refrigerated beef last year were valued at 325,402,346 francs, of which Argentina supplied 58 per cent, Uruguay 20 per cent, Australia 13 per cent, and Brazil 4 per cent. Argentina practically controls the Belgian refrigerated beef market, and the prices at which its beef is being laid down at present makes it impossible for Canada to compete. While Canadian statistics show a relatively insignificant quantity of Canadian frozen beef as having been exported to Belgium last year, this has been in transit to other countries.

Argentina also supplied Belgium with 4 million francs worth of refrigerated mutton in 1925, or nearly nine-tenths of Belgium's total imports of this commodity. The three other main items included in this group are greasy wool (65.7 million francs), raw hides (31 million francs), and animal fats for industrial use (17 million francs). Other items are: oleomargarine (580,000 francs); other edible animal fats (2,844,000 francs); butter (541,000 francs); live animals, oxen (71 head, 147,500 francs); animal oils (61,896 francs); horns, tips and waste (165,002 francs), and unspecified animal products (432,100 francs).

Imports falling outside the two groups above-mentioned were: preserved meats in jars, boxes, etc. (7,939,196 francs); meat extracts (6,376,520 francs); extract of quebracho (9,290,504 francs); lead ore (1,869,961 francs); tobacco, unstemmed (1,035,837 francs); zinc ore or blende (990,000 francs); brewery dregs, cattle feed, and food wastes (688,801 francs); casein (209,029 francs); crushed bone (70,518 francs).

* Mr. Lamontagne's report on the imports into Belgium from the United States will be published in our next issue.

FUR INDUSTRY OF FRANCE

TRADE COMMISSIONER HERCULE BARRÉ

Paris, April 18, 1926.—The fur industry of France has made great strides during the last quarter of a century. Some twenty-five years ago imports and exports together totalled about 50,000,000 francs. In 1925 the imports were valued at 380,000,000 and the exports 881,000,000, a total trade of 1,261,000,000 francs. These figures do not include the home trade in furs of native animals, but they give an idea of the importance of the industry.

As Paris is likely to remain the world's centre of fashion for furs, as for everything which pertains to woman's apparel, France will continue to import ever-increasing quantities of raw and dressed skins, and the high standard of perfection reached in the preparation of the skins and their transformation into garments explains and justifies the expanding export trade.

Before the war, the majority of French firms were compelled to go to London or Leipzig for their raw pelts, as there were only a few firms with buyers on the spot in Canada, the United States, Russia, and other countries. These secured their skins at first hand, but they represented a mere fraction of the country's requirements. Hence its dependence upon the London and Leipzig markets, a condition that no longer obtains.

At the suggestion of the then Minister of Commerce, and under his auspices, an auction sales market was organized some nine years ago by the Société du Marché Français des Fourrures et Pelleteries, with headquarters in Paris. Mr. Th. Corby, its organizer and present managing director, has kindly furnished the following information concerning its activities.

The association receives two classes of raw and dressed skins: (1) Those of the native wild animals of France, described collectively as sauvagines; (2) those received from abroad. The sales are conducted by a chartered broker, subject to the usual legal enactments governing sales by public auction.

The sales of sauvagines take place in January, February, March, June, September and November. The actual dates are fixed so as not to conflict with those of the public auctions in London, in order that buyers may attend the sales in both cities. Purchasers come to the sales in Paris from almost every country, even from Canada and the United States. The importance of the sales and the number of lots offered increase steadily from year to year. French furriers now find practically all their raw materials in Paris, depending less and less upon London and Leipzig.

CUSTOMS DUTIES

Raw pelts do not pay duty when imported into France, nor do dressed furs when the dressing is of a nature which French industry cannot undertake. All imports are, however, liable to the sales tax of 1.30 per cent. Made-up furs pay duties which vary with the furs employed.

AUCTION VALUE OF DRESSED PELTS

Silver fox is the most highly-prized fur, and according to experts, will retain the lead for a long time. A perfect skin, with neck and shoulders pitch dark and the rest of the body abundantly silvered, without any brown or red hues, easily fetches 12,000 francs or thereabouts. The average prices of other fox skins of the best qualities are: blue fox, 6,000 francs; white fox, 1,500 francs; crossed fox, 2,000 francs, and red fox, 900 francs. Pekan skins bring between 800 and 4,000 francs, according to quality. Ermines average 50 francs apiece. Canadian ermines are considered not so fine as the Russian. Canadian marten commands between 400 and 1,300 francs. Russian sable marten is more

highly prized, fetching between 800 and 5,000 francs. Muskrat, called Hudson seal in the retail shops, is sold at auction under the name of rat-loutre; and a coat made of fine skins will retail about 7,000 to 8,000 francs. A mink coat will sell retail at anything from 40,000 to 100,000 francs.

FUTURE PROSPECTS

The taste for luxury which was greatly increased during the war shows no signs of abating, and is reaching deeper social stratas, and is thus broadening the market for furs—a demand which could not be wholly met by the wild denizens of fields and forests. Hence the huge development of industries which transform the rabbit, rat, and other skins into what has recently been called “an evocation of seal”, which satisfies the yearnings of the masses for furs useful and handsome, at prices they can afford. Hence also the rapid growth of the ranch-breeding of wild animals, such as the fox and the pekan.

Before the war Europe imported some 700 to 800 silver fox skins a year. Last year about 8,000 were shipped in, yet prices were maintained. This seems to afford proof that the demand for silver fox is ever present, however large the supplies may be. Lately buyers have noticed now and again a slight lowering of the quality and beauty of the skins. This has been attributed to ranch-breeding under poor conditions as to environment—climate, food, or lack of proper technique. The greatest care is imperative if this business is not to be depreciated by isolated cases of loose methods or lack of technical knowledge. The highest standard must be aimed at and enforced, especially in the matter of skins sent to the Paris and London auction rooms.

PERU AS A MARKET FOR CANADIAN PRODUCTS

TRADE COMMISSIONER E. L. MCCOLL

[Subjoined is the fourth of a series of reports on Peru, which has been prepared by Mr. McColl after a recent visit to that country, in which he investigated the openings for Canadian trade. Those on Wheat and Flour and other Foodstuffs were published in Nos. 1160 and 1161; that on the Tariff, Documentation, etc., in the last issue.]

[Throughout this report the Peruvian pound has been calculated at \$4 Canadian currency, this being a fair average value covering the last three years. Weights are given in the metric ton of 2,204.6 pounds.]

Tools and Hardware; Machinery; and Vehicles

INTRODUCTORY

The majority of hardware and machinery merchants carry a very wide range of staple articles with no apparent attempt at specialization. The explanation given for this is that the market is small and an endeavour is made to handle anything for which there is a sale. Small hardware is prominent on the shelves, while all kinds of tools and other equipment required on the farm or machine shop are piled about on the floor. House builders' hardware, including locks and hinges, seemed to be mostly of German origin, as well as mechanics' steel dies, lathes, and other machine tools and woodworking machinery. This it was stated was due to the fact that the reasonable cost of German equipment promotes an active demand. The majority of merchants seemed to agree that when it was a matter of price, quality, including durability, was of small account.

These statements were hard to understand when an examination of statistics of imports disclosed a predominance of American and British tools and machinery. The explanation was that the large organizations such as the mining companies and the railways were American and British, and their policy was to buy for quality and not for price. These corporations are procuring the best that can be got through their buying offices in New York and London.

Shovels particularly attracted the attention of the writer, as they seemed to be in much demand judging from their prominence and this turned out to be the case. As one merchant explained, the Peruvian did not take kindly to modern agricultural machinery, employing wherever possible the ordinary steel spade. This, however, is not altogether the fault of the Peruvian, as the system of irrigated cultivation of sugar and cotton makes the use of large modern agricultural implements and machinery difficult. Water is passed through the furrows of the cotton fields, consequently seed must be placed above the water line or it would be washed away. This system necessitates a great deal of hand spading; seeders do not seem to be used. The prominence of small single ploughs on view was explained by one merchant as resulting from the desire to adhere to oxen and the unwillingness to use power-drawn implements. The Peruvian unless specially trained does not possess a mechanical mind, with the result that when something goes wrong with his tractor he generally has to abandon it. Tractors and steam power, however, are used on the large estates with success, these possessing a sufficient number of trained men to permit of the equipment being kept in constant running order.

One Peruvian merchant stated, with considerable pride, that he stocked and sold Canadian plain and galvanized iron tubing, which was in demand amongst his customers on account of its superior qualities, which allowed the pipe to be worked and bent without damage.

There are many lines of Canadian hardware, including hand tools, wheelbarrows, saws, shovels, etc., which would find a ready sale if they could only be placed on view and given a trial. Full particulars giving the date of foundation, capital, value of stock, articles dealt in, number of employees, etc., was obtained from each merchant. A selected list of these importers for both Chile and Peru, together with this detailed information, should be in the possession of every Canadian exporter and may be obtained on application to the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa.

The following table gives the total value of the imports into Peru of the classes of merchandise covered in this report for the first nine months of 1925 and for calendar years 1922, 1923, and 1924.

	1925 (Jan.-Sept.)	1924	1923	1922
Tools and hardware	\$1,167,000	\$1,601,000	\$1,838,000	\$1,709,000
Machinery	6,706,000	6,894,000	5,046,000	3,454,000
Vehicles	3,602,000	3,358,000	1,439,000	657,000
	<hr/>	<hr/>	<hr/>	<hr/>
	\$11,475,000	\$11,853,000	\$8,323,000	\$5,820,000

TOOLS AND HARDWARE

Tools and hardware are imported chiefly for the use of agriculture, and of mining, railway, tramway, and construction companies, and the few but gradually increasing machine shop demands of industrial organizations. The cultivation of cotton and sugar cane and the preliminary stages of sugar manufacture require each year an increasing volume of implements and machinery. The value of tools and hardware imported during 1924 amounted to \$1,601,000, the United States and Great Britain supplying 50 per cent and 38 per cent respectively. Although Canadian exports cover a fair range of articles, each of which should serve as a nucleus for expansion, sales to Peru of tools and hardware are still below \$10,000 per annum. Artisan paint brushes imported during 1924 amounted to \$30,000 against \$7,500 in 1923, the United States supplying 51 per cent, Germany 32 per cent, and Great Britain 11 per cent. Canadian exports of brushes to Peru, which in 1924 were valued at about \$1,000, reached \$5,000 in the first nine months of 1925. Steel saws, both circular and ribbon, were bought principally from the United States. During the first nine months of 1925 imports were valued at \$9,000, while for the calendar year 1923 they stood at \$200. This

may give some indication of the growth of the sawmill industry. Asbestos packing imported during 1924 was valued at \$44,000, 50 per cent coming from the United States and the remainder from Great Britain and Germany. The following is a list of the principal remaining articles under this heading which are similar to those made by Canadian manufacturers:—

Article	Value		Percentage
Cable of iron or steel	\$42,000	United States	89
		Great Britain	11
Chains, iron	21,000	Great Britain	62
		United States	30
Asbestos packing	44,000	United States	50
		Great Britain	22

IRON AND STEEL VALVES

			Percentage
1925 (Jan.-Sept.)	\$85,000	United States	87
1924	80,000	Great Britain	10
		United States	90
1923	74,000	Great Britain	9
		Germany	1

Iron and steel valves show a marked increase in consumption: the 1925 imports will probably exceed \$100,000, an increase of 33 per cent during the last two years.

BRASS OR COPPER VALVES

			Percentage
1925 (Jan.-Sept.)	\$85,000	United States	70
1924	52,000	Great Britain	25
		United States	75
1923	35,000	Great Britain	21

Platform scales were imported to the value of \$43,000 in 1924, the United States being credited with 76 per cent, Great Britain with 15 per cent, and Germany with 9 per cent.

The tool and shelf hardware trade has not been expanding during the last four years. During the early months of 1925 there was a heavy accumulation of stocks followed by a severe dullness in trade. It was not until February or March of 1926 that conditions began to pick up. Without doubt, this much-noted activity will result in trade returns for 1926 breaking away from the static condition in which they have remained for so long a time. The increased development which is taking place at the present time in agriculture, mining, and in building means a larger use of the instruments of production. The products of several Canadian tool or implement manufacturers are known to be second to none in Argentina, and they should be equally well known in Peru.

There are several first-class hardware merchants in Lima who expressed a willingness to examine and report upon any offers which Canadian manufacturers might make, but the point has to be borne in mind that competitors are already established and their goods are known. The Canadian manufacturer must therefore be prepared, if necessary, to put his goods in the hands of the importer at cost until both his organization and its products are known in the republic.

MACHINERY

It is anticipated that, when statistics for the full year 1925 are published, it will be found that imports of machinery have reached a value of \$9,000,000. If this figure is attained, it will mean an increase of 130 per cent since 1922, for which year imports were valued at \$3,454,000. Industrial development in the form of new factories is expanding slowly; nevertheless it has played its part and a fair proportion of the increase in machinery importation is due to this

cause. The following are some of the manufacturing establishments of which there are about 300 in Lima, making some forty different products:—

Barrels	Curtains	Trunks
Beds	Cotton seed oil and cake	Saw and planing mills
Billiard tables	Flour	Shirts
Beer	Furniture	Shoes
Brooms	Foundries	Soap
Candles	Glass bottles	Tanning
Cement	Hats	Textiles
Chocolates	Ice	Tiles
Cigarettes	Paper	Trunks

The United States and Great Britain divide the machinery market pretty well between them, supplying about 85 per cent of requirements. Germany sends about 10 per cent; Italy and Belgium the remainder. Agricultural machinery is largely confined to cotton, sugar, and rice plantations. There is some production of northern cereals, but it is not important nor will it increase to any marked extent. There is, however, a good demand for many lines of farm equipment similar to those manufactured in Canada. The demand for mining machinery, as well as large quantities of general engineering and construction tools, is increasing. The industries listed above illustrate the various kinds of industrial machinery which are required, and statistics of the country's progress, given in a previous issue, show the course of expansion which these undertakings are bound to follow. Railroad and terminal port construction are only at their commencement, and new or additional work is constantly being undertaken. There are also very large public enterprises under way or projected, by both British and American companies. There is a growing disposition to develop home production, but this will embrace very little of what is required for factory installations for many years to come.

The following are the imports for agricultural and mining machinery and machinery for dependent industries:—

Year	Value	Percentage
1925 (Jan.-Sept.)	\$1,960,000	
1924	2,068,000	United States 62
		Great Britain 30
1923	2,018,000	United States 53
		Great Britain 24
		Germany 19

Imports of this class of machinery will probably reach \$2,600,000; an increase of over 30 per cent in two years, which is an indication of the growth of agriculture and mining.

Imports of Other Industrial Machinery

Year	Value	Percentage
1925 (Jan.-Sept.)	\$1,831,000	
1924	1,412,000	United States 36
		Great Britain 24
		Germany.. . . . 20
1923	894,000	United States 50
		Great Britain 25
		Germany 11

When statistics are published for the complete year 1925 it will be found that imports have probably reached a value of \$2,500,000, an increase of over 175 per cent during the last two years. In 1923 Germany had 19 per cent of the trade, but 1924 shows that both the United States and Great Britain have improved their position, while Germany has almost disappeared. In "other industrial machinery", however, Germany has advanced from 11 per cent in 1923 to 20 per cent in 1924, at the expense largely of the United States.

The machinery market of Peru is one well worth studying, but in which a foothold is not easily obtained. Machinery is the most difficult of all lines to introduce because in most cases it demands technical service. A manufacturer

whose machine is not known in Peru, after satisfying himself by investigation that there is a market for a product similar to his and that as far as he can find out from the opinion of importers who have examined his catalogue and prices it is competitive in quality and price, requires to make an important decision. Is he going to risk sending a machine on consignment at his own expense, to be paid for only if sold? This may sound like a one-sided transaction, but there is no alternative, unless perhaps it be a more expensive one. An importing merchant will not only not buy what he has not seen, but he will not buy that which he is not certain will sell. The initial experiment must be made at the risk of the manufacturer.

The maintenance of supply, not only of the machine but of its spare parts, is a point that is always emphasized by the importer. The facilities for machine-shop repairs in Peru are very limited. Therefore what is going to happen to the machines sold of which some important part is broken or lost, should the manufacturer withdraw from the market, is a matter of considerable concern, as the merchant must maintain at all costs the goodwill of his client.

There are few branches of machinery manufacturers in Lima compared to the number to be found in larger centres of South America. The method adopted by many British, American, and German houses is to send out one or two representatives from the parent plant to occupy desk room in the establishment of the Peruvian agent. If two are sent, one generally acts as salesman, while the other serves in a technical capacity; if only one is sent, he must be a man with ability to cover both fields.

In the case of machine shop equipment, especially with respect to machine tools, it must be recognized that work in the chief centres of operation is limited, that tools must not be too highly specialized, and that they must have a certain flexibility of adaptation. Machinery should be as simple as possible consistent with efficiency. The Peruvian mechanic if he is well trained is capable and reliable, but as the field is small skilled mechanics are few in number. It sometimes happens therefore that delicate and complicated machines may be in the hands of mechanics of the general-utility type who find themselves confused if something goes wrong. Exclusive of the purchases made on behalf of the machine shops of railway, mining, and other large corporations, the market is one of price rather than of quality.

VEHICLES

AUTOMOBILES

Imports of automobiles into Peru during the last few years have been as follows:—

	1925 (Jan.-Sept.)	1924	1923	1922
Passenger automobiles	\$ 336,000	\$1,403,000	\$408,000	\$248,000
Trucks	1,068,000	919,000	338,000	148,000

The above figures illustrate not only the expansion of automobile sales in Peru but also that of good roads. The small business done in 1925 was entirely due to the set back which the country received early in 1925 from torrential rains and from the dull times which followed in their wake.

Selling automobiles has been a most competitive business, and has resulted in the granting of lenient terms of payment as an attraction, the agents in some cases being assisted by the local banks. A sudden stiffening of all credits on the part of the bankers in Lima, owing to the general financial situation, restrained the operations of automobile agents, and this, together with the bad times prevailing, severely curtailed sales.

OTHER VEHICLES

During the last four years the values of imports of other vehicles have been as under:—

	1925 (Jan.-Sept.)	1924	1923
Wagons, carts and wheelbarrows	\$ 33,000	\$ 35,000	\$ 21,000
Railway and tramway cars	925,000	665,000	532,000
Locomotives	563,000	219,000	73,000
Motor cycles	14,000	13,000	10,000

Bicycles

Year	Value	Percentage
1925 (Jan.-Sept.)	\$59,000	
1924	98,000	Great Britain 56
		Italy 22
		United States 10
		Other Countries 12
		Great Britain 32
1923	52,000	United States 17
		Italy 18
		Germany 14
		Other Countries 19

Children's Tricycles and Miniature Automobiles

Year	Value	Percentage
1925 (Jan.-Sept.)	\$4,600	
1924	6,000	United States 90
		Other Countries 10
1923	5,000	United States 66
		Germany 18
		France 13
		Other Countries 3

The following are a few details covering some of the articles under the above classification imported during 1924:—

Wheelbarrows amounted in value to \$18,000, 98 per cent of which came from the United States. Freight cars weighing 1,580 tons and valued at \$300,000 were imported, principal sources of supply and percentages being as follows: United States, 63; Germany, 13; Holland, 11; Great Britain, 10. Passenger, railway and tramway cars were principally from Italy (72 per cent), followed by the United States (12 per cent) and Germany (11 per cent), the quantity amounting to 1,018 tons valued at \$365,000. Only a small number of locomotives were bought during the year, their value being \$219,000, of which amount the United States and Germany supplied 59 per cent and 33 per cent respectively.

The total imports of tools, hardware, machinery, and vehicles for 1924, as shown above, amounted in value to nearly \$12,000,000. The principal countries of origin and percentages over the whole were: United States (64 per cent); Great Britain (20); Germany (7); and Italy (5 per cent).

The above statistics show to what extent the United States dominates the market as a source of supply with mechanical instruments of production, hardware, and vehicles—a proof of the persistent and successful efforts which her manufacturers are putting forth in an endeavour not only to hold and to consolidate the markets of South America which they gained during the war but even to improve their position. Operations of United States manufacturers in South America are especially noteworthy with respect to the amount of advertising and propaganda effort which is made, the following up of all business with service, and the ability to accommodate themselves to the customs and wishes of their South American clientèle.

[NOTE. *Chilean and Peruvian Merchants: Lists on File.*—As a result of Trade Commissioner E. L. McColl's visit to Chile and Peru, the Department of Trade and Commerce have on file a selected list of, with detailed information regarding, reliable Chilean and Peruvian merchants visited, all of whom expressed a willingness to examine catalogues and prices submitted by Canadian manufacturers.]

FOREIGN TRADE OF ARGENTINA, 1925

D. FORSTER, OFFICE OF THE CANADIAN TRADE COMMISSIONER

[NOTE.—An Argentine theoretical gold peso at par is equal to 96.5 Canadian cents, or at the rate of exchange at date of writing about 90 Canadian cents.]

Buenos Aires, March 29, 1926.—Argentina is less than one-third the size of Canada, being 1,080,000 square miles compared with 3,729,665 square miles, although the population is almost equal. The 1914 census gave the population as 7,885,237 against 7,206,643 in the 1911 census of Canada. No enumeration has been taken in Argentina since 1914, but annual estimates brought the 1921 estimate to 8,913,824, compared with the Canadian census of that year of 8,788,483. The Government estimate of the population of Argentina on December 31, 1925, was 10,087,118, of which almost 20 per cent reside in Buenos Aires, the federal capital. It is interesting to note that the foreign trade of Canada for 1925, with an almost equal population, was 37 per cent higher than that of Argentina.

TOTAL TRADE

Official figures of Argentine external trade for 1925 have just been issued. Imports were valued at 876,847,666 gold pesos compared with 828,709,993 in 1924, and exports at 867,929,882 gold pesos as against 1,011,394,582 in 1924. These show an increase in imports of 48,137,673 gold pesos and a decrease in exports of 143,464,700 gold pesos compared with the previous year. A favourable balance of trade of 182,684,589 gold pesos for 1924 has changed into an unfavourable one of 8,917,784 gold pesos for 1925. The figures for the first half of 1925, issued six months ago, showed a favourable balance of 59,000,000 gold pesos, but although imports maintained the anticipated level during the second half of the year, the quantity and prices of exports declined so much as to convert the balance of trade into an unfavourable one. Argentina has had a favourable balance of trade every year from 1894 until 1920, with the exception of 1911. The years 1921, 1922, and 1923 were unfavourable, but the deficit of these three years was almost entirely covered by the balance in 1924. It has been estimated, however, that a trade balance of at least 150,000,000 gold pesos is now required annually to cover remittances leaving the country in connection with the service of the public debt, dividends on money invested in the country, etc.

IMPORTS

Imports into Argentina during 1925, as mentioned in the previous paragraph, amounted to 876,847,666 gold pesos. This is the highest value ever reached, with the exception of the year 1920, when values were very much inflated, and by reducing each year's total to a standard basis fixed in 1906 it is found that the only year in which the quantity of material imported approached anywhere near that of 1925 was in 1913. Customs duties were charged on 72.5 per cent of the articles imported, the balance being allowed entry duty free. The amount of duty collected in relation to the value of dutiable goods imported showed an average tax of 20.9 per cent, but compared with the value of total imports the average charged was 15.2.

All the figures in gold pesos in this report are actual present-day values, but the statistics issued regarding imports of individual commodities are based upon the "tariff value", which is an official valuation established by the Customs Law of 1906 (at present augmented by 60 per cent). This fixed valuation has no relation to present invoice values, which are anything up to 125 per cent higher, according to their classification in the tariff. As the "tariff values" were on the same basis in 1925 as in 1924, they can be used as a comparison in quantity but not in value. There would be no object therefore in mentioning the

The quantity of "live stock products" exported was 11.5 per cent less during 1925 than during 1924, but owing to higher prices obtained generally the decline in value was only 4.9 per cent. The heaviest reduction was in "agricultural products", where the total quantity exported showed a decline of 33.7 per cent, whereas the total value was only 22.3 per cent less. Prices were also higher than during the previous year, although the very high prices during the first six months were not maintained to the same extent during the second half of the year.

CANADIAN PARTICIPATION

In 1924 the United Kingdom supplied almost 25 per cent of Argentina's requirements, with the United States following closely. Canada occupied eleventh place, being preceded by Germany, Italy, France, Belgium, Brazil, Spain, Mexico, and Holland, in the order named.

The total of Canadian exports to Argentina in 1925, according to the Dominion Bureau of Statistics, was \$11,923,534, more than one-fourth of which were supplied by the automotive industry. There were 3,499 cars to the value of \$1,975,970, and accessories and parts valued at \$1,195,247. Agricultural machinery, implements and parts arriving from Canada were next in order of importance, being valued at \$2,559,283. Sewing machines and parts accounted for \$1,863,834, and newsprint \$1,570,945. The rubber industry supplied \$1,587,445 worth of products, including tires (\$894,828), canvas shoes with rubber soles (\$552,798), and belting (\$94,115). Lumber imported from Canada amounted to \$414,373, the bulk of which was spruce, a fair amount pine, and a small quantity fir. Tubing reached \$133,384; Portland cement, \$45,594; wood alcohol, \$42,315. Malt accounted for \$65,026. Whisky, dried fish, and cheese each totalled approximately \$7,000. Other articles arriving from Canada were cotton duck, paperboard, wallpaper, nails and tacks, adding and calculating machines, tools, chains, scales, valves, etc.

Imports into Canada from Argentina during 1925 amounted to \$4,068,418, the principal products being corn, flaxseed, cattle hides, canned meats, casein, wool, and quebracho extract.

PROSPECTS

The returns of foreign trade of Argentina in 1925 were not as good as had been expected, and the majority of people in the trade were surprised to learn that there was an unfavourable trade balance. Exchange kept steady in anticipation of a record 1925-26 harvest, but wheat has been a comparative failure, although linseed and maize shipments for the first quarter of 1926 are well in advance of last year and an excellent new crop of maize is in view. On the whole, however, imports so far this year are slightly in excess of last year, and exports are lower, so that prospects of Argentine currency returning to par are not very bright at the moment.

NOTE ON THE CURRENCY

The monetary system of Argentina is based on two gold coins, one of five and the other of two and a half pesos, consisting of 8.0645 and 4.03225 grammes respectively of gold nine-tenths fine. The relative value therefore of one Canadian gold dollar is 1.0364 Argentine gold pesos. The dollar sign is used to express Argentine currency. In the case of paper, the amount is followed by the sign m/n (Moneda nacional) or c/l (curso legal), as \$156.27 m/n or \$156.27 c/l. The corresponding amount in gold pesos, the relative value of which to paper is explained below, would be written \$68.76 o/s (oro sellado).

The majority of Argentine foreign transactions are made on the basis of this gold peso. Twenty-five years ago the paper peso hovered around 44 per cent of the value of the gold peso, and in order to stabilize it, Law No. 3871 of

November 4, 1899, was enacted fixing the legal value of the paper peso at 44 centavos gold. Following this law, the "Caja de Conversion," a Government financial department holding gold as a guarantee behind the paper issue, received and delivered gold on demand at the above rate, until two emergency laws of August 9 and September 30, 1914, suspended the payment of gold. These emergency laws did not, however, suspend at the same time the law of November 4, 1899, which laid down the relative value of 44 centavos gold to one paper peso, with the result that on account of the gold peso being fastened by law to the paper peso it became, as it were, theoretical and varied daily in value in international exchange. It is this theoretical gold peso which is quoted instead of the national paper currency in daily use in the republic, as is the case with most other countries.

DIFFICULTIES OF AN AGENT

There is a strong impression among the manufacturing and distributing employees of an industry that agents have the easiest of all positions, as they only need to sit in an office awaiting orders, with their consequent commissions, writes a correspondent of the *Manchester Guardian Commercial*. This impression became an obsession during the boom period of 1919-20, when well-established agencies did not need to canvass for orders because buyers were tumbling over each other to place orders with them or their principals. During these years and the later war periods they had a good time, and many men with sound staff positions were attracted into the field because there appeared to be money for little or no work. These latter made the mistake of looking only at the well-established agents, and failed to see the hundreds who merely scrape a precarious living together.

Not only do the employees envy the agents, but often the principals look at the money they have to pay to their successful agent, and they quite often fall into the error of dispensing with him, thinking they can save all the money they have paid him previously in commissions. Often they learn their mistake only too late, and find that the "connection" was his, not theirs. This is the whole point of an agency, the spade-work necessary to build up a connection.

In engineering, in particular, the need of an agent is absolute, and no amount of inside selling organization can take the place of the personal touch. The agent is not a middleman, he is not an unproductive factor, for he produces that feeling of confidence essential between buyer and seller.

The spade-work consists of finding out who counts in the office of a prospective buyer, and one is extremely fortunate who learns this at once. He can hardly expect his competitors to supply this information, so he calls and calls until he passes from the order clerk to the buyer, from the buyer to the chief engineer, and then to the managing director. But any man knows that this takes years, and constitutes the connection, and often membership of the same clubs.

Because of the easy friendship of the latter stages some of the keen young men are straining to get on the road, and when opportunity appears they jump in without any deep consideration. A concrete case—often repeated—was that of an agency for textile machinery given by a new firm to a man who wished to start an agency business. The terms were sole agency for England, with all expenses, 5 per cent commission on selling price, and an office. It looked very good until a more experienced man pointed out that he would have to do all the spade-work in a very keen market, build up a connection, live on his own money, and run the risk of losing the agency when it was producing a return, unless he was extremely well placed. At that time the aspirant had a safe and progressive position of £600 per annum.

There is an idea prevalent that an agent is a man who is his own master and works for himself, but a man with three or four good agencies knows better. He is less his own master than when he works in an office. In addition to the principals, every client and inquirer is another master, as he has to be at their beck and call. He must go out and see them at any time, and he cannot afford to be out of his office for long.

If a young man or a man in middle years is considering the change from staff to agency, let him make sure he has the right temperament, which can wait when things are quiet and be calm when things are booming. There are few agents made from good staff men, because the make-up is entirely different, so it is as well to look before leaping, and remember that one agency does not make a living.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Duty on Wireless Telegraphy Sets Entering Irish Free State

Mr. A. F. MacEachern, Assistant Canadian Government Trade Commissioner in Dublin, advises that the Revenue Commissioners of the Irish Free State have issued a notice effective on and from April 22, 1926, to the effect that a customs duty at the rate of 33½ per cent *ad valorem* shall be leviable on "all apparatus for the transmission and reception, or the transmission only, or the reception only of messages or other communications by wireless telegraphy, whether such apparatus is completely or partially manufactured, and on all component parts and accessories (including cases, cabinets, or other containers) of such apparatus whether such parts and accessories are completely or partially manufactured." The Revenue Commissioners further stipulate that the liability to duty as furniture of wireless telegraphy sets assembled in wooden cases or cabinets, and on wooden cases or cabinets for wireless sets imported separately, ceased when the foregoing duties became operative.

Irish Free State Duty on Oatmeal

According to a cablegram received from Mr. A. F. MacEachern, Assistant Canadian Trade Commissioner in Dublin, the Irish Free State have placed an import duty on oatmeal at the rate of 2s. 6d. per cwt. (112 pounds), which is already in effect. There is no preferential rate to any country.

Term "Sheep" in United States Tariff Includes Lambs

United States Treasury Decision 41516 of April 20, 1926, which has just been published, interprets the term "sheep" in paragraph 702 of the tariff of 1922 as including lambs. The question concerning the tariff status of lambs entering the United States arose over the classification of two car loads of live lambs imported from Canada. They were classified under paragraph 702 at \$2 per head, which is the rate on sheep. The importer claimed that lambs were dutiable under paragraph 715, covering live animals not specially provided for, the rate being 15 per cent *ad valorem*. It seems that the exact issue raised had not been before the board or the courts previously. Former tariffs had referred to sheep "one year old or more" and "sheep less than one year old," and it was held that the intention in the present tariff was to include lambs under the heading of sheep. Commercial designation was held not to control in view of the clear intent of Congress.

TENDERS INVITED

Australia

Copies of tender forms and specifications have been received from Trade Commissioner D. H. Ross, Melbourne, for material required by the Victorian Government Railways, Melbourne, particulars of which are as follows: supply and delivery of automatic switching equipment, to drawings and as specified. Tender forms and specifications are open to the inspection of interested Canadian manufacturers at the Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa (refer to file No. 29077). Tenders, which expire September 1, 1926, should be addressed to the Secretary, Victorian Government Railways, Melbourne, Australia.

Further tenders have been received for material required by the Victorian Government Railways, Melbourne. The tender forms and specifications are open to inspection at the Department (refer to file No. 29077). Tenders in conformity to the specification should be promptly addressed to the Secretary, Victorian Government Railways, Melbourne, Australia.

Particulars of these further requirements are briefly outlined thus:—

VICTORIAN GOVERNMENT RAILWAY DEPARTMENT

No.	Date of Closing	Particulars
39491	June 2	Manufacture, supply and delivery of 14,190 railroad rails, 60 pounds per yard, 45 feet long, and 13,500 pairs fishplates for same, to drawing and as specified.
39486	June 23	Supply and delivery of one multiple spindle drilling machine, including all necessary equipment, as specified.
39487	July 14	Supply and delivery of two capstan lathes, including all necessary equipment, as specified.

New Zealand

Copies of specifications have been received from Mr. C. M. Croft, Canadian Government Trade Commissioner at Auckland, New Zealand, for equipment required by the New Zealand Government Railways, Wellington, particulars of which are as follows: two motors, 40 B.H.P., 750 R.P.M. protected slip-ring; one motor, 40 B.H.P., 750 R.P.M., fully enclosed pipe-ventilated, self-ventilating. These specifications are open for inspection at the Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa. Tenders, which expire August 30, 1926, should be addressed to the Chairman, Railway Board, Wellington.

BRITISH TRADE COMMISSIONERS IN CANADA

Canadian importers and others desirous of obtaining information regarding the export trade of the United Kingdom and British manufacturers desirous of representation in Canada, are invited to communicate with the under-mentioned:—

The Senior British Trade Commissioner in Canada and Newfoundland, 285 Beaver Hall Hill, Montreal, Que. Telegraphic address: "Britcom."

The British Trade Commissioner (for Ontario), 901-902 Bank of Hamilton Bldg., Toronto, Ont. Telegraphic address: "Toroncom."

The British Trade Commissioner (for Western Canada), 18 Commerce Bldg., Vancouver. Telegraphic address: "Vancom."

The Officer-in-Charge (for Manitoba and Saskatchewan), British Trade Commissioner's Office, 703 Union Bank Bldg., Winnipeg. Telegraphic address: "Wincom."

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHELBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

475. PROPRIETARY ARTICLES (GROCERS' LINES).—A Dublin firm are willing to undertake agency.

476. FLOUR; DRIED FISH; POTATOES.—A commission agent experienced in the Cuban market is desirous of corresponding with Canadian shippers of flour, dried fish (haddock, hake, and codfish), and potatoes.

477. CANNED SALMON.—A firm of Jamaica importers seek a connection.

478. FISH.—A French firm would like to represent Canadian exporters of salmon, lobster, and other fish.

479. FISH; FRUITS; VEGETABLES.—A French concern would like to obtain the agency of Canadian exporters of salmon, lobster, and trout; fruits and vegetables.

480. FISH; FRUIT.—A French party would like to receive offers and quotations from a Canadian exporter (preferably one not yet represented in France) dealing in salmon, lobster, rock lobster; and all kinds of fruits.

481. BARRELLED HERRINGS.—A firm of Jamaica importers seek a connection.

482. FISH.—Firm of Jamaica importers seek a connection for codfish, alewives, cusk, and hake.

Miscellaneous

483. WHEAT AND OTHER CEREALS.—A firm of representatives in Genoa are desirous of importing wheat and cereals.

484. FLOUR SWEEPINGS.—A Glasgow firm of merchants and chemical brokers desire to get in touch with a Canadian firm who would ship to them flour sweepings for pig feeding.

485. PROPRIETARY ARTICLES (DRUGGISTS' LINES).—A Dublin firm are willing to undertake agency.

486. STATIONERS' SUNDRIES.—Chilean importer is willing to examine catalogues and quotations on stationers' sundries.

487. SCOURING SOAP.—A firm of Jamaica importers seek a connection.

488. JEWELLERS' SWEEPINGS.—A French party would like quotations on jewellers' sweepings and natural corundum for abrasive wheels.

489. HARDWARE.—Chilean firm of manufacturers' representatives are willing to receive catalogues and quotations on hardware.

490. BUILDING MATERIAL.—Chilean importer is willing to study catalogues and quotations on building material, lumber, and corrugated iron.

491. CONSTRUCTIONAL MATERIAL.—Chilean importer is willing to study prices and catalogues of constructional material, including galvanized iron.

492. RAILROAD TIES.—Peruvian railway is willing to examine quotations and samples of sleepers. Possible contract for 200,000 per year. Particulars may be obtained from the Department.

493. SCRAP METALS.—A Genoa firm of representatives are willing to import scrap metals.

494. AGRICULTURAL MACHINERY.—Chilean importer is willing to receive catalogues and quotations from Canadian manufacturers of agricultural machinery.

495. RUBBER PRODUCTS.—Chilean importer is willing to examine catalogues and quotations on rubber products.

496. WOOD WOOL (EXCELSIOR).—A Glasgow firm of fibre importers, now importing wood wool from Norway, desire to secure their supplies from Canada in future, and would like to get in touch with Canadian firms with a view to making this a permanent business.

497. PULP BOARDS, STRAWBOARDS, WRAPPING AND PRINTING PAPERS.—A Dublin firm desire to get in touch with exporters.

498. BOX SHOOKS.—A Dublin firm desire to get in touch with Canadian exporters.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING MAY 10, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending May 10, 1926. Those for the week ending May 3, 1926, are also given for the sake of comparison.

		Parity	Week Ending May 3, 1926	Week Ending May 10, 1926
Britain	£	1.00	\$4.86	\$4.8537
Czecho-Slovakia	Crown	1.	.203	.0296
France	Fr.	1.	.193	.0328
Italy	Lire	1.	.193	.0402
Holland	Florin	1.	.402	.4017
Belgium	Fr.	1.	.193	.0331
Spain	Pes.	1.	.193	.1439
Portugal	Esc.	1.	1.08	.0520
Switzerland	Fr.	1.	.193	.1934
Germany	Reichs Mk.	1.	.238	.2382
Greece	Dr.	1.	.193	.0126
Norway	Kr.	1.	.268	.2185
Sweden	Kr.	1.	.268	.2680
Denmark	Kr.	1.	.268	.2616
Austria	Schilling	1.	.14125	.1412
Japan	Yen	1.	.498	.4700
Siam	Tical	1.	.3709	.4550
India	R.	1.	2s.	.3650
United States	\$	1.	\$1.00	.99375
Mexico	\$	1.	.498	.4865
Argentina	Pes.	1.	.424	.4018
Brazil	Mil.	1.	.324	.1445
Roumania	Lei	1.	.193	.....
Jamaica	£	1.	4.86	4.8775
British Guiana	\$	1.	1.	4.8700
Barbados	\$	1.	1.	
Trinidad	\$	1.	1.	
Dominica	\$	1.	1.	
St. Kitts	\$	1.	1.	
Grenada	\$	1.	1.	
St. Vincent	\$	1.	1.	
Tobago	\$	1.	1.	
Shanghai, China	Tael	1.	.708	.7212
Batavia, Java	Guilder	1.	.402	.4037
Peru	Pound	1.	4.86½	3.7425
Singapore, Straits Settlements ..	\$	1.	.507	.5725

1.0050—1.00375 1.0175—1.01625

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To LONDON, PLYMOUTH and CHERBOURG.—Ascania, May 22; Ausonia, June 5; Alaunia, June 12—all Cunard Line.

To LONDON.—Bosworth, May 22; Brecon, May 29—both Canadian Pacific; Canadian Raider, May 18; Canadian Rancher, May 28; Canadian Aviator, June 7; Canadian Hunter, June 17—all C.G.M.M.

To LIVERPOOL.—Kelvinia, May 20; Morevia, May 27—both Cunard Line; Megantic, May 22; Doric, May 29; Canada, June 5; Regina, June 11—all White Star-Dominion; Montrose, May 28; Montcalm, June 4—both Canadian Pacific.

To AVONMOUTH.—Huronian, May 29; Colonian, June 5—both White Star-Dominion.

To GLASGOW.—Metagama, Canadian Pacific, May 20; Salacia, May 21; Letitia, May 28; Saturnia, June 4—all Anchor-Donaldson.

To BELFAST.—Lord Antrim, May 20; Lord Downshire, June 6—both Head Line.
 To DUBLIN.—Melmore Head, May 20; Lord Downshire, June 6—both Head Line.
 To SOUTHAMPTON.—Melita, Canadian Pacific, May 19.
 To MANCHESTER.—Manchester Division, May 20; Manchester Corporation, May 27; Manchester Brigade, June 3; Manchester Producer, June 10; Manchester Hero, June 17—all Manchester Linets.
 To CARDIFF AND SWANSEA.—Canadian Commander, May 21; Canadian Victor, June 4—both C.G.M.M.
 To ANTWERP.—Melita, Canadian Pacific, May 19; Canadian Raider, May 18; Canadian Rancher, May 28; Canadian Aviator, June 7; Canadian Hunter, June 17—all C.G.M.M.
 To HAVRE.—Grey County, Intercontinental Transports Ltd., May 18.
 To ROTTERDAM.—Laval County, Intercontinental Transports Ltd., May 27.
 To HAMBURG.—Birk, Intercontinental Transports Ltd., May 31.
 To AUSTRALIAN PORTS.—Canadian Traveller, C.G.M.M., June 7; Wirral, New Zealand SS., May 20.
 To NEW ZEALAND PORTS.—Canadian Challenger, C.G.M.M., May 25; Wirral, New Zealand SS., May 20.
 To WEST AND SOUTH AFRICAN PORTS.—Monarch, Elder Dempster Line, May 20.
 To SOUTH AMERICAN PORTS.—Bore, Houston Line, May 26.
 To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Volunteer, May 22; Canadian Squatter, June 2 (calls at Guadeloupe); Canadian Carrier, June 12—all C.G.M.M.
 To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Fisher, May 19; Canadian Forester, June 9—both C.G.M.M.
 To ST. JOHN, Nfld. (via CHARLOTTETOWN).—Canadian Sapper, C.G.M.M., June 3.

From Quebec

To GLASGOW.—Montnairn, Canadian Pacific, June 3.
 To LIVERPOOL.—Montroyal, Canadian Pacific, May 21.
 To SOUTHAMPTON.—Empress of Scotland, Canadian Pacific, May 26.
 To HAMBURG.—Empress of Scotland, Canadian Pacific, May 26.

From Halifax

To LIVERPOOL.—Sachem, May 19; Newfoundland, May 26; Nova Scotia, June 12—all Furness, Withy.
 To ST. JOHN'S, Nfld.—Sachem, May 19; Newfoundland, May 26; Nova Scotia, June 12—all Furness, Withy; Hethpool, Farquhar SS., May 22.
 To BERMUDA, ST. KITTS, ANTIGUA, MONTSEERRAT, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Teviot, R.M.S.P. Co., May 21.
 To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, May 19, June 16.

From Vancouver

To YOKOHAMA AND KOBE.—Atago Maru, May 22; Asuka Maru, June 12—both Nippon Yusen Kaisha.
 To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Asia, Canadian Pacific, May 27.
 To YOKOHAMA, KOBE, SHANGHAI, HONG KONG AND MANILA.—Empress of Canada, Canadian Pacific, June 10.
 To YOKOHAMA, KOBE, MIKE AND HONG KONG.—Philoctetes, Blue Funnel, June 3.
 To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Arizona Maru, Osaka Shosen Kaisha, June 3.
 To YOKOHAMA, KOBE, DAIREN, TAKU AND SHANGHAI.—Arabia Maru, Osaka Shosen Kaisha, June 14.
 To YOKOHAMA, KOBE, HAKATA, DAIREN, TSINGTAU AND SHANGHAI.—Paris Maru, Osaka Shosen Kaisha, May 25.
 To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Niagara, Canadian-Australasian Line, June 2.
 To WEST COAST UNITED KINGDOM PORTS.—Canadian Highlander, C.G.M.M., May 31.
 To LIVERPOOL, LONDON AND ANTWERP.—Loch Gail, North Pacific Coast Line, end May.
 To MANCHESTER.—London Corporation, May 20; Pacific Shipper, June 11—both Furness Pacific Line.
 To ROTTERDAM.—Loch Gail, North Pacific Coast Line, end May.
 To BARCELONA, MARSEILLES, GENOA, NAPLES AND TRIESTE.—Duchess D'Aosta, Navigazione Libera Triestina, May 25.
 To BORDEAUX, HAVRE AND ANTWERP.—Arizona, May 21; Sonora, June 2—both Cie. Gle. Transatlantique (French Line).
 To TRINIDAD.—A steamer, Pacific-Caribbean Gulf Line, late May.
 To BRISBANE, SYDNEY AND NEWCASTLE.—Roxen, Australian Service, May 20.
 To CUBA.—Finn, Cuban Service (Sven SS. Co.), late May.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

James Cormack. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

P. W. Cook. Address for letters—P. O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300. Office—North China Daily News Building, 17 The Bund, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Gutrufhaus, Neuerwall 10, Hamburg 36. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czechoslovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watermill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230, office. Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 128-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

Netherlands East Indies

R. S. O'Meara, P.O. Box 84, Batavia, Java. (Territory covers Straits Settlements, Federated Malay States, Indo-China, and Siam.) *Cable Address, Canadian.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P.O. Box 683. Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia.) *Cable Address, Sleighing, London.*

J. Forsyth Smith, Century Bldgs., 31 North John street, Liverpool. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales.) *Cable Address, Cantracom.*

Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands.) *Cable Address, Canadian.*

Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, May 22, 1926

No. 1164

TABLE OF CONTENTS

	Page		Page
Trade Commissioner J. Forsyth Smith's Forthcoming Visit to Canada	641	Commercial Conditions in Argentina	658
Monthly Report of the Trade of Canada . .	641	Belgium's Foreign Trade—IV: Imports from the United States, 1925	660
Exports from Canada to the United States of Principal Commodities produced on Cana- dian Farms, or manufactured directly from such Farm Products, during the Month and Seven Months ended April, 1921, 1922, 1923, and 1926; with United States Tariff Rates in force	642	Fox Breeding in France	664
Marketing of Canadian Hay in the United States	644	Tariff Changes and Customs Regulations: Certificates of Origin for Grain and Flour imported into Czecho-Slovakia	665
Conditions in the United States	648	Greek Tariff and Regulations regarding the Importation of Flour	665
Inquiry for Sitka Spruce in North of Eng- land	649	Points to be Observed in Preparing Brazil- ian Consular Forms	666
Industrial Conditions in the North of Eng- land	650	Condensed Milk Regulations in Cuba	666
Chaotic Conditions in the Bristol Area . .	651	"Lumber Market of Japan": New Forthcom- ing Publication	667
Automotives in Trinidad	651	Norway to Export Pork	667
Commercial Conditions in Mexico	652	British Trade Commissioners in Canada . .	667
Peru as a Market for Canadian Products—V: Lumber and Paper	653	Trade Inquires for Canadian Products . .	668
		Foreign Exchange Quotations for Week end- ing May 17th, 1926	668
		Proposed Sailings from Canadian Ports . .	669
		List of Acts Administered and Publications Issued	671
		Commercial Intelligence Service	672

TRADE COMMISSIONER J. FORSYTH SMITH'S FORTHCOMING VISIT TO CANADA

Mr. J. Forsyth Smith, Canadian Fruit Trade Commissioner in Liverpool, is expected to arrive in Ottawa on June 12 with a view to undertaking a business trip throughout the Dominion on behalf of fruit exporters, particularly those interested in apples. Canadian firms interested in the fruit trade, or fruit growers, who desire to be brought in touch with Mr. Smith or to interview him, are requested to communicate with the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa, in order that the necessary arrangements may be made.

MONTHLY REPORT OF THE TRADE OF CANADA

The attention of business concerns in the Dominion interested in the country's imports and exports is directed to the *Monthly Report of the Trade of Canada*, published by the Dominion Bureau of Statistics. This report (470 pages monthly) gives details of the importations of more than 1,900 articles, and of the exportations of nearly 600 articles, with the principal countries that the goods were received from or sent to. The price of this report is 20 cents the single copy or \$2.40 the year, postpaid to addresses in Canada and the United States. Sample copies may be obtained on application to the Dominion Statistician, Dominion Bureau of Statistics, Ottawa, to whom all subscriptions should be addressed.

(COMPILED BY THE EXTERNAL TRADE BRANCH, DOMINION BUREAU OF STATISTICS, AND THE FOREIGN TARIFFS DIVISION)

Commodities	Month of April				Seven Months ended April				United States Tariff Rates in force		
									Prior to	From May	Subsequent
	1921	1922	1925	1926	1921	1922	1925	1926	May 27, 1921	Sept. 21, 1922	to Sept. 21, 1922
Animals (except for improvement of Stock)—											
Cattle.....	15,531	2,346	9,482	9,655	198,266	110,292	58,634	106,107	Free	30 p.c.	(a)
Horses.....	535,656	40,492	207,073	214,010	14,103,333	2,424,339	1,580,844	3,369,962	Free	10 p.c.	(b)
Poultry.....	18,503	18,020	10,654	3,100	327,453	304,354	66,301	70,911	66,301	1c. per lb.	3c. per lb.
Sheep.....	10,097	6,098	8,440	7,987	337,083	583,069	611,069	697,889	1c. per lb.	1c. per lb.	3c. per lb.
Fruits—	272	25	1,220	60	191,500	58,070	24,714	27,487	Free	(c)	\$2 per head
Apples, green or ripe.....	32	1	31	625	12,051	393,308	33,256	25,318	10c. bu. 50 lb.	30c. bu.	25c. bu. 50 lb.
Apples, dried.....	228	4	279	2,732	60,806	2,000,704	179,845	123,347	1c. per lb.	1c. per lb.	2c. per lb.
Berries, fresh.....				43	658,751	76,092	57,397	115,577	1c. per qt.	1c. per qt.	1½c. per lb.
Grains—	10	12,581	1,628	1,628	193	16,625	9,640	5,166	15c. bu. 48 lb.	15c. bu. 48 lb.	20c. bu. 48 lb.
Barley.....	22	9,906	932	932	257	12,167	8,301	2,702	15c. bu. 48 lb.	15c. bu. 48 lb.	20c. bu. 48 lb.
Beans.....	18,324	2,487	3,465	966	2,723	4,143	14,71	39,876	2c. lb.	2c. lb.	1½c. lb.
Buckwheat.....	21,919	6,810	20,515	4,235	219,949	95,782	504,687	49,717	Free	Free	10c. per 100 lb.
Oats.....	394,386	179,439	14,304	5,791	254,970	80,074	470,683	39,894	6c. bu. 32 lb.	6c. bu. 32 lb.	15c. bu. 32 lb.
Peas, whole.....	177,852	98,636	6,984	2,508	803,595	780,348	166,144	181,546	10c. bu. 60 lb.	10c. bu. 60 lb.	1c. lb.
Peas, split.....	11,625	6,348	12,811	8,994	55,243	102,125	165,227	144,978	20c. bu. 60 lb.	20c. bu. 60 lb.	1½c. lb.
Rye.....	34,421	21,199	29,717	15,066	271,552	340,484	508,323	363,183	Free	Free	15c. bu. 56 lb.
Wheat.....	6,339	1,672	8,628	138	296,672	83,024	3,784	4,316	35c. per bush.	35c. per bush.	42c. bu. 60 lb.
Grain Products—	3,003,452	14,391	2,374	138	484,297	68,291	5,161	6,579,418	Free	Free	15c. bu. 56 lb.
Bran, shorts and middlings.....	5,290,301	19,017	4,020	278	92,089,524	10,391,287	2,788,926	8,869,355	Free	Free	42c. bu. 60 lb.
Wheat Flour.....	63,467	4,696	402,188	16,799	763,953	269,576	1,977,143	1,030,370	(e)	(e)	(d)
Meads—	73,138	8,522	438,417	20,135	1,261,506	270,529	2,489,878	2,042,855	20 p.c.	20 p.c.	1-04 p. 100 lb.
Bacon, hams, shoulders and sides.....	97,282	62,732	1,012	549	1,191,285	476,498	7,064	12,035	Free	Free	2c. per lb.
Beef, fresh, chilled or frozen.....	892,784	408,155	8,365	3,814	11,756,136	2,918,776	46,635	84,519	Free	Free	2c. per lb.
	219	277	609	778	2,312	573	8,303	7,167	25 p.c.	25 p.c.	3c. p. lb. (g)
	7,746	4,698	21,108	32,10	84,385	26,726	195,069	260,620	Free	Free	2c. per lb.
	16,868	13,048	10,176	10,732	163,661	120,088	26,952	77,594	Free	Free	2c. per lb.
	250,583	158,249	125,139	161,473	2,401,160	1,307,246	285,488	933,552	Free	Free	2c. per lb.

MARKETING OF CANADIAN HAY IN THE UNITED STATES

TRADE COMMISSIONER FREDERIC HUDD

New York City, May 8, 1926.—Some shipments of Canadian hay have been the subject of complaint among hay dealers in the United States, on account of careless packing and shipping and inattention to the requirements of particular markets, resulting in losses to both buyer and producer. The poor condition in which some Canadian hay has been received appears to have created a prejudice against it, and as a result Canadian hay is sold for less than similar domestic grades, although in many cases in actual quality it can be considered equal. Better prices will be realized and business will become more satisfactory if there is a general appreciation of these facts.

Great inroads have been made into the hay business by the increased use of automobiles, and competition becomes keener as time goes on. If the Canadian shipper desires to find a continued outlet in the United States, he must realize that he has to compete against a duty of \$4 per long ton, equivalent to \$3.57 per ton of 2,000 pounds, in addition to the consular, bond and brokerage charges incidental to shipment, and against the domestic hay with greatly improved methods of packing and marketing in the haymaking states. The various complaints against Canadian hay are being dealt with in some detail in this report with a view to bringing the actual facts of the situation to the attention of Canadian shippers. There are serious reasons why Canadian hay must be sold in the United States market for less than similar grades of domestic hay, and after a careful survey of the whole situation the writer is convinced that Canadian shippers can realize a much better price for their product if they will go about it in the right way and put up hay in such a manner that buyers will be justified in paying the highest price.

BALING

The most serious complaint in all markets is that hay is sometimes baled with ice or snow in it, or loaded in rain or snow, causing the bales to open up musty or even rotten. When such shipments get into the warmer climate, with no ventilation in the freight cars, an immediate deterioration sets in. As a result of cases of this kind, some buyers are cautious in taking Canadian hay, for fear that it may be poor when opened up. It is hard to sell unsound or damaged hay, and it is best not to ship it. One Boston buyer expressed the opinion that the greatest care is not taken to store hay after it is pressed; that it is often stored too near the ground, where it absorbs moisture and becomes discoloured, or it is not stored in good tight barns.

"Fresh pressed barn hay will always command a premium," says this buyer, "as it is almost certain to arrive in good condition, especially in the spring. We have always understood that January and February are the most dangerous months to press and store hay, as hay pressed in these months and shipped in the spring is almost certain to arrive here out of condition. Most of the dealers in this section, who store hay for several months, make a practice of standing bales on end, instead of piling them on the flat side, and reports we have from dealers are that hay piled in this manner is much less likely to heat in the bale. Canadian shippers should exercise greater caution and see that hay is absolutely dry before baling and after baling stored in a perfectly dry warehouse."

An inspection of shipments of hay showed that some producers greatly reduce the quality of their product by such practices as leaving it out in the open to be coloured by dew, putting all qualities into a mow together, allowing seeds to accumulate on the bottom of the bales, and pressing stained and damaged hay with good hay. Apparently, some producers bale stacks and do not trim the damaged hay from outside the stacks before baling. Other shippers do not seem to be in the habit of cleaning out their presses. The good appearance of the package applies to the merchandising of hay as well as in the case of every other commodity.

PRESSING

Other handicaps which some Canadian shippers impose upon the product are due to heavy pressing, baling in uneven weights, and shipping bales of a size not desired. Small bales (17 by 22 press) appear to have the preference in Philadelphia and Southern points, while the New York and Boston markets prefer to take the larger bales (upright press). The small bales should run from 120 to 140 pounds in weight. The 125-pound bale is considered a good average. The Philadelphia market is accustomed to a 120- to 125-pound bale, and shippers to the Chicago market should use 14 by 18 bales weighing in the neighbourhood of 80 or 90 pounds, as this weight sells to better advantage in that market than the heavier bales. In no case should a 17 by 22 bale weigh over 150 pounds. Large bales (upright press) should weigh from 190 to 220 pounds. Most of the small-size bales of Canadian hay received in this market average 160 pounds.

It is in the retailing of hay where the weight of a bale plays the most important part. A retailer putting out hay a bale or two at a time can sell the lightly pressed hay to a better advantage than the heavily pressed, for the reason that in many cases a small carter or peddler has just so much money to spend and when prices are high he invariably places a limit on the quantity to be purchased and accordingly turns to the light-weight bales. Larger feeders take the ground that there is too much wastage in heavily pressed hay. Bales do not open up loosely and the feeding per horse is much heavier than necessary as a result, because stable help are not careful to shake up the laps. Light pressing makes shaking out for feeding easy and convenient. Hay from the heavily pressed bales comes out in lumps and results in extravagance. For this reason a 2,700-pound shipment of heavily pressed Canadian hay will go no farther than a 2,400-pound domestic shipment of lightly pressed hay. Drivers hauling hay from cars or warehouses also object to the heavy weights. In the average season the Philadelphia market receives a good deal of hay pressed in 14 by 16 or 14 by 18 presses, with an average weight of from 100 to 115 pounds, and the difference in handling which a bale of 150 to 160 pounds makes can be appreciated. In the case of the 17- by 22-bale marketed by the United States farmer the average weight for loose-pressed hay is 135 pounds. Heavy pressing has other serious aspects. It is conducive to bales opening up musty, makes hay lifeless, and increases the danger of heating in the bale.

Regarding the size and weight of bales, Mr. G. A. Collier, Investigator in Hay Marketing of the United States Department of Agriculture, gives the following advice:—

The hay shipper should pay particular attention to the size and weight of bales preferred in any given market and should cater to that preference when making consignment shipments to it. Hay in bales of undesired size or weight is usually discounted \$1 to \$2 per ton by the buyers. Preferences vary in the different markets, however, and hay which brings a premium in one market may be severely discounted in another. It is the buyer's preference rather than the shipper's that prevails.

TIEING

In addition to being heavily pressed and of uneven weight, Canadian bales are frequently put up in uneven lengths. This difficulty could be largely overcome by the use of bale ties instead of coil wire. This ensures an even length. In this connection one large buyer said:—

Canadian hay dealers to save 5 cents or 10 cents per ton on wire lose \$2 to \$4 a ton on their product. Ninety-five per cent of the domestic hay is baled in uniform-size bales, tied with dimension bale ties of uniform size, which gives the bale an altogether different appearance from the Canadian bale, nearly all of which are tied with coil wire, in all shapes and lengths.

Hay baled in all lengths with coil wire has a ragged appearance on account of the varied lengths and uneven shape of the bales. A great deal of the hay

from Ontario is baled with two wires instead of three. Naturally this makes an insecure and ragged bale, of very untidy appearance, inconvenient for loading purposes, particularly when the ties are of coil wire and liable to be of uneven lengths. Three heavy wires should be used on the smaller bales and five on the larger bales. When bound with fewer wires bales sometimes break, causing loss to the shipper. Moreover, bales having a clean and neat appearance are at an advantage, as already indicated.

LOADING

Inspection of a car of Canadian hay reveals considerable variety of quality. It is desirable that every bale in a car should be of one quality, and it is essential that each grade be pressed separately and marketed at different prices according to quality. A farmer in the hay-producing states will load cars with bales averaging 135 pounds, every bale being of the same quality, and as a result he will get from \$1 to \$2 more per ton than could be got for the same grade of Canadian hay, pressed to average 160 pounds per bale.

Attention should be paid to the importance of clean and dry freight cars. One of the leading hay brokers gives the following advice on this point:—

A large amount of hay is damaged in transit, chargeable to loading in dirty cars. When a dirty car is furnished, if it cannot be put in proper condition, do not run a chance of damaging a shipment of hay by loading. Also examine carefully the doors and fastenings after loading. A slight repair to doors will prevent rain from penetrating the car.

It is best to load all bales on edge, with only the ends of the bales appearing at the doorway. This presents a far better appearance than having the edge or sides of the bales appear at the door. It must be borne in mind that the manner in which cars are loaded sometimes influences the price, and a car of hay carelessly loaded generally brings a lower price in the open market than a car loaded in a neat and systematic manner. New hay baled early in the season, and therefore likely to contain excessive moisture, should be loaded on end, with space for circulation of air between the bales.

MARKET CONDITIONS AND PRICES

Less hay remains to be marketed than a year ago, although hay consumption has been smaller than usual, according to reports received by the United States Department of Agriculture from a large number of dealers. Dealers' stocks in consuming areas are slightly below average and practically no hay is being bought for deferred shipment. Supplies of local hays in the South are not large, but holdings in the North Atlantic states are generally adequate for the rest of the season.

The season has been backward this spring and feeding requirements have been thereby increased, so that recent prices have shown a decidedly upward trend. Part of this advance may be only temporary since market offerings have been restricted by the press of spring work and bad roads in country districts, but timothy prices at the principal markets recently have been from \$5 to \$5.50 higher than a year ago and only 75 cents under the peak price of the 1923-24 season. Alfalfa prices have shown an upward tendency in contrast with the steady decline evidenced last season and are the highest for the crop year and about \$2.50 higher than a year ago. Prairie prices are near the season's highest and about \$3.50 higher than last year.

The trend of prices in the immediate future will be largely governed by weather conditions and the length of the spring feeding season. Prospects are that the stocks of hay on farms when pasturage becomes available will not be large. If the season is unusually early less hay will be required for farm feeding, but if the feeding season is prolonged on account of a less favourable spring more hay will be required and supplies will be rather closely adjusted to consumers' requirements. The poor condition of pastures last fall will tend to make pastures somewhat slower in starting this spring. According to the "intention

to plant " report, farmers are intending to devote about the same acreage to tame hay this year as in 1925. If average yields are secured on this acreage the 1926 crop will be larger than the 1925 production. It is still too early to have much definite information upon prospects for the 1926 crop. Generous rains have been beneficial on the Pacific Coast, but the backward season in most sections east of the Rockies has retarded the growth of forage plants to the present date.

THE DEMAND FOR CANADIAN HAY

Imports of Canadian hay into the United States for the twelve months ending March, 1926, totalled 314,295 tons valued at \$3,050,269 as compared with 185,812 tons valued at \$2,000,511 in the previous period. Canadian hay is finding its way down the Atlantic seaboard as far south as Georgia. Trade reports indicate that the bulk of Canadian imports is of ordinary quality mixed hay, but small amounts of good alfalfa have also been imported in competition with the offerings of New York alfalfa.

Demand for Canadian hay depends on the United States crop. When hay is in demand dealers are not concerned with its origin, but only with its quality and marketability. Two dollars per ton is the regular commission on hay, but in districts outside New York a lower fee is sometimes taken, although good service cannot fairly be expected for less than the \$2 fee. Some buyers think too much Canadian hay is coming in at present and recommend caution on the part of shippers. In any case, it is the general opinion among buyers that it is not profitable to ship the poorer grades of Canadian hay to this market, as the expense of getting it here is too great, and the market is usually overstocked with medium and lower grades of hay. These are hard to sell and concessions in price are usually made in order to move cars and save storage and demurrage charges.

Some buyers think that hay produced in Quebec and Eastern Ontario is apt to be very grassy—that is, the shippers do not rotate their crop sufficiently but allow their meadows to run out. The opinion is expressed that if Canadian producers would plough up meadows often and reseed with timothy and clover a much better grade of hay would be produced and one that would sell better in all United States markets. Canadian shippers would be greatly assisted in giving satisfaction in the United States market if they would familiarize themselves with the requirements of the various grades of hay and what grades and sizes are most acceptable in different markets, particular care being taken to ensure that shipments are of the grade specified in the invoice. Dealers advise that nothing poorer than good No. 2 should be shipped unless there is an extremely short crop in the United States. The Canadian grades of timothy such as extra No. 2 are fairly representative of grades accepted in United States markets, and the same may be said of No. 1 and prime. On clover grades, the Canadian grade gives more latitude.

DEALINGS WITH BUYERS

Canadian shippers are strongly advised to keep in touch with those handling their product in the United States market and to establish personal relations, which will ensure an interest on the part of the receiver and the greatest protection for shipments. Shippers should consider a commission merchant as an employee. It is highly inadvisable to make shipments to firms or individuals whose responsibility and standing have not been inquired into. Shippers must be prepared to act on their own responsibility. Mr. G. A. Collier, Investigator in Hay Marketing of the United States Department of Agriculture, says:—

Profitable returns from consignments depend a great deal upon the ability and reliability of the shipper's representative at the market. Only those representatives should be employed who can, or have, demonstrated their ability as conscientious and trained salesmen and who know the needs of the market and the responsibility and financial standing of the buyers. Such service may entail a higher initial cost, but will probably be more economical in the end. Where trade organizations or exchanges exist, membership in them, which requires certain desirable qualifications, is to some extent a guarantee of the members' reliability.

Although there has been a decrease of nearly 70 per cent in the consumption of hay in this market in the past decade, there are said to be as many firms engaged in the hay commission business as when the market was taking more than double its present consumption.

REFERENCES

Canadian producers interested in securing comprehensive information on the methods of marketing hay in the United States are recommended to refer to Farmers' Bulletin No. 1265, "Business Methods of Marketing Hay", and Bulletin No. 979, "Marketing Hay through Terminal Markets"—two reports issued by the United States Department of Agriculture at Washington. The latter contains a table summarizing the requirements of the various Eastern, Western, and Southern hay markets, showing kinds of hay received, types of bales, methods of inspection, weights, and the most common faults that affect the selling price. Other reports of interest are Bulletin 873, "The Shrinkage of Market Hay", and Bulletin No. 980, "Inspection and Grading of Hay".

CONDITIONS IN THE UNITED STATES

TRADE COMMISSIONER FREDERIC HUDD

New York City, May 12, 1926.—Latest reports indicate that there has been a decline in business activity in the United States accompanied by a fall in stock and commodity prices and easier money rates. In the steel and textile industries there was marked activity in March. Production of steel ingots in the month was at the rate of 166,359 tons a day, as compared with an average of 158,525 tons in February and 161,482 tons in March, 1925, which puts the daily average for the first quarter of the year at $2\frac{1}{2}$ per cent above last year's figure. Unfilled orders reported by the United States Steel Corporation decreased in March for the third consecutive month and latest reports show a decline in steel production, the April output of ingots being below that of March. Cotton consumption in domestic mills in March was 9 per cent above that of March, 1925, and 2 per cent above the record established in March of 1923. In this industry also latest reports indicate curtailed production and a suspension of operation in some mills. The building and automobile industries showed no decline in activity, although it was generally predicted that there would be a slackening in both these industries. Building contracts awarded in March were 22 per cent above the March, 1925, total. In the automobile industry the March output was 19 per cent above that of the first quarter of last year. Business failures reported to Dun's for the first three months of the year were 6,081 as compared with 5,969 in the first quarter of 1925. Failures reported to Bradstreet's in the first two weeks of April were 12 per cent higher than a year ago.

THE PRICE SITUATION

As already indicated, the trend of commodity prices is downward. There has been a steady decline in the United States Department of Labour's price index, covering 404 commodities, since August of 1925. In March the figure dropped $2\frac{1}{4}$ per cent, bringing it to 152 per cent of the 1913 average and nine points below the level of 1925. With the exception of fuel and lighting, prices in all groups of commodities were lower in March. Professor Fisher's index number for the week ending May 8 was the lowest for the year to date and lower than any weekly figure in 1925.

The exchange situation remains fairly stable. On April 8 the Canadian dollar was at par in the New York market and thereafter went to a premium, where it has remained, one day reaching a premium of three-sixteenths of 1 per cent, the highest rate of the present year.

The United States foreign trade situation is of more than usual interest in the light of the figures for the month of March, which was the third successive month

showing an excess of imports over exports. In March there was a decrease in exports of meat, grain, and cotton. Rubber was an important item in the increase in imports.

THE AGRICULTURAL SITUATION

The outlook for the winter wheat crop is the most noteworthy feature of the agricultural situation. Winter wheat production in the United States this year will amount to 548,908,000 bushels, an increase of 150,422,000 bushels over the amount harvested last season, but 8,754,000 bushels less than the average amount harvested for the past ten years, according to the forecast of the United States Department of Agriculture Crop Reporting Board. Rye production, as forecast by the board, is estimated at 44,791,000 bushels as compared with 48,696,000 bushels for last year, and with 67,966,000 bushels for the ten-year average.

The forecast for wheat is based on a report as of May 1, showing the condition of the crop to be 84 per cent of normal. This represents a decrease of one-tenth of 1 per cent from the condition figure reported for April 1, but compares favourably with the 77 per cent condition figure reported for May 1, 1925, and with 83.6 per cent quoted as the average condition report on May 1 of each of the ten years preceding this year. The report indicates that 5.6 per cent of the acreage planted in winter wheat this season had been abandoned up to May 1. On this basis, 2,216,000 acres of the 39,301,000 acres sown last fall have been lost to harvest. This figure, however, is well below the average abandonment for the ten-year period, which is placed at 13 per cent.

INQUIRY FOR SITKA SPRUCE IN NORTH OF ENGLAND

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, May 4, 1926.—An inquiry has been received at this office from a North of England firm wishing to establish connections with Canadian exporters in a position to quote prices on Sitka spruce for use in the construction of piano sounding boards. The specification calls for No. 2 clear and better Sitka spruce, kiln dried, edge grained. The angles of the grain must not be less than 40 degrees. Thickness to be 1 inch full; widths 4 to 6 inches, averaging 5 inches or better; lengths 8 to 16 feet or 18 feet at shipper's option, with not more than 5 per cent of 10-foot lengths. The stock must be of good uniform colour, as white as possible, and free from sap. No pink or red wood to be shipped. The annular rings to be not less than ten to the inch.

The above specification is what is required, but it is to be understood between shipper and buyer, that if any pink or red-coloured slash grained, or sap wood is shipped, the buyer has the right to reject it provided that the inspection is made prior to any working or planing of the lumber. An average price for such a specification on this market at present is around £57 per standard c.i.f. Liverpool, including commissions of 4 and 2½ per cent.

The importer making inquiry is willing to arrange a sample shipment of one or two standards, after which a substantial business may be expected if the sample turns out satisfactory.

It is emphasized that, if shipments do not adhere exactly to the required standards of size and quality, the value slumps by half, and this admittedly expensive article then has to be marketed in competition with much cheaper varieties of wood which are quite as suitable as Sitka spruce for ordinary requirements.

Any interested shippers may obtain the name and particulars of the firm making inquiry on application to the Director Commercial Intelligence Service, Department of Trade and Commerce, Ottawa. It is also requested that this office be advised, in order that follow-up activities can be undertaken on behalf of exporters.

INDUSTRIAL CONDITIONS IN THE NORTH OF ENGLAND

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, May 4, 1926.—Existing strike conditions are necessarily having a grave effect on industry and commerce in this area. The Government, through the Customs, have prohibited for the present the export of coal, and steamers requiring coal for bunkering purposes have to secure a special permit before receiving supplies. Regular transportation services in this area have now been withdrawn. At time of writing all dock activities in the port of Liverpool have ceased and dock warehouses are closed, but it is anticipated that arrangements will be made later on to discriminate between foodstuffs and raw material for manufacture.

Apart from the general strike, the coal stoppage itself will have a very serious effect on industrial operations, as it is expected that manufacturers will have to depend on 50 per cent of their normal supply of fuel to carry on with. The coal situation will particularly affect the iron and steel trades of the north-east coast, where almost daily supplies of coal and coke are necessary to keep the plants going. It is reported that many of the large industrial concerns of Manchester and vicinity are well supplied with coal for the present. Most of the cotton mills use electricity and are dependent on municipal supplies which are not likely to be curtailed at once.

In Liverpool shipping circles no great anxiety is felt over the supply of coal, as a large majority of liners and a fair proportion of tramp steamers using this port are oil-propelled. Shipping companies dependent on coal supplies report that they are not likely to feel the effects of a shortage immediately.

Prior to the developments of the last few days, general business conditions in this section of England were distinctly more cheerful in spite of the continued pessimistic reports from the more important industrial centres. The feeling of improved trade seemed to be taking a firm hold after years of depression, and the unemployment figures announced by the Secretary to the Ministry of Labour on April 19 showed definitely improved conditions in the general engineering, iron and steel and woollen industries.

On the Manchester stock exchange toward the latter half of April there were signs of a broadening of business activity, and industrial shares as a whole showed a better tendency. The American spinning section of the cotton trade has not shown any improvement, and short-time production has been continued, but the spinners of the finer quality yarns have been busy and the export markets of the East have improved.

In the woollen trades botany spinners and manufacturers have been busy on old orders for seasonal goods. In the fabric section, business has been somewhat hampered as no absolutely definite decision has been rendered regarding a duty on imported dress goods.

On the northeast coast the outlook for ship repairing has improved lately, and some useful contracts have been placed with marine engineering firms. The lighter engineering trades of Sheffield have been a little busier. Business in home railway engineering construction has been good. Electrical firms have continued busy. Large shipments of textile machinery for Russia were supplied during April by several Lancashire firms.

CHAOTIC TRADE CONDITIONS IN THE BRISTOL AREA

TRADE COMMISSIONER DOUGLAS S. COLE

Bristol, April 28, 1926.—The whole course of trading activities during the month of April, 1926, has been overshadowed by the crisis in the coal mining industry (which is first of all in importance in its disastrous effect on business), the possible development of the dispute in the engineering trade, and the further taxation of industry which might be imposed by the Budget of 1926-1927.

South Wales practically lives by the export of coal and by the production of coal for the industries carried on adjacent to the coal fields. The uncertainty of the coal situation acts as a check to the already hard hit Midlands iron, steel and hardware trades. Some Midland firms are, however, laying in stocks of coal in the event of a strike in the coal mines, while others state that their position is such with orders scarce and profits negligible a coal strike would be the last straw and they must shut down.

Of the blast furnaces which were closed down by the coal strike in 1921 some have never been re-opened, and another coal strike would permanently close some more and the effect would be felt almost immediately by all.

Until this crisis in the coal industry is passed there is definitely nothing to do but mark time in all industries affected.

The motor, motorcycle and pedal cycle trades in the Midlands are the bright exception to the very general depression, both export and home demand being good. It therefore follows that firms engaged in the manufacture of accessories for these industries are doing fairly well.

The iron and steel manufacturers have been putting up a good fight against continental imports which are aided by cheaper labour and depreciated currency.

AUTOMOTIVES IN TRINIDAD

TRADE COMMISSIONER J. CORMACK

Port of Spain, April 20, 1926.—Producing as it does its own motor fuel and its own asphalt for road surfacing, Trinidad offers a good field for the sale of automobiles.

During the calendar year 1925, 2,664 motor cars were registered in Trinidad and Tobago, as against 2,143 in the previous year. The total number last year imported from Canada (470), was more than double that of 1924. These in order numerically were Fords, Chevrolets, Studebakers, Buicks, Maxwell and Oakland. Great Britain had 63 cars registered in 1924 and 92 in 1925, divided among thirty makes, Morris-Cowley and Napier leading. The United States of America had 1,841 in 1924 and 2,087 in 1925, no fewer than 74 makes being represented, chiefly Fords, Dodges and Buicks.

There is a good sale locally for motor bicycles, both solo and with side cars. British makes are almost universally used in this colony.

Registered trucks and tractors showed a decline of 150 last year. Many of them have been converted into omnibuses for the more profitable passenger traffic in the rural and suburban districts. Canada is credited with a total of 50 (Fords and Chevrolets); there were none in 1924. Great Britain dropped from 34 to 26, and the United States from 541 to 408. Owing to the heavy soil and hilly land most of the tractors in use have caterpillar attachments. On account of the financial straits of the sugar and other local agriculturists, it is expected that business in all kinds of automotives will be comparatively dull during the present year.

COMMERCIAL CONDITIONS IN MEXICO

TRADE COMMISSIONER C. NOEL WILDE

Mexico City, May 1, 1926.—During the first week of April commerce in Mexico was conducted on a limited scale on account of the Easter holidays, which generally have an effect of restricting trade for several days after the holiday itself has passed. Apart from this influence, business has shown no definite tendencies, and conditions remain as during the month of March.

It is now possible to form a definite opinion as to the progress over an extended period of the principal industries of the country, the Mexican Government having recently published statistics which give this information in a clear and concise manner. Details have already been published in the *Commercial Intelligence Journal* of the decrease in oil production during recent years, this decrease being attributed to various causes, such as the exhaustion of oil fields, labour difficulties, etc.; at the same time, it is generally recognized that Mexico still contains large areas of oil-bearing lands which only await exploitation, and it is reported that arrangements for their development are now under way. So far as mining is concerned, the production of the precious metals decreased slightly during the year 1925, but the reduction in output was so small as to be negligible as a factor in the prosperity of the country in general. Indeed, the production of certain industrial metals has increased considerably, as will be seen by the following statement of output for the year 1925 as compared with 1924:—

		1925	1924
Gold	Kg.	24,478	24,647
Silver	Kg.	2,821,058	2,844,104
Lead	Tons	164,228	164,140
Copper	Tons	49,534	49,113
Zinc	Tons	45,743	18,936
Mercury	Kg.	38,721	36,665
Antimony	Kg.	1,276,084	774,567
Arsenic	Kg.	3,948,564	1,293,436
Graphite	Tons	3,839	8,023

Agricultural production has undoubtedly decreased during recent years, but serious efforts are now being made to remedy this condition by means of loans to small farmers, combined with assistance in the nature of education, buying facilities, and co-operative societies. An agricultural credit bank has been established for this purpose, details of which were published in *Commercial Intelligence Journal* No. 1162 (May 8). In this connection, it is officially stated that in the 2,283 municipalities in Mexico in 1923 there were 1,199,953 properties, both city and country, under private ownership, having a total assessed value of \$1,878,656,290 Mexican currency. The total value of loans against these properties was \$639,441,602, Mexican currency, which indicates that approximately one-third of the privately-owned real estate of the country was mortgaged.

Manufacturing and commercial companies continue to be established on a moderate scale, and many of these earn substantial profits; this particularly refers to such industries as textiles, footwear, tobacco, and others which enjoy adequate tariff protection. The following statement gives the amount of capital of limited companies registered in the Federal District during the years shown (in Mexican currency): 1919, \$55,638,000; 1920, \$153,319,000; 1921, \$74,144,000; 1922, \$63,440,000; 1923, \$44,233,000; and 1924, \$37,408,000.

In spite of this decrease during recent years, bank deposits increased materially, as will be seen from the following figures: 1922, \$87,471,000 (Mexican currency); 1923, \$119,584,000; 1924, \$123,977,000.

With regard to foreign trade, figures for recent years show substantial increases, and a report on this subject will appear in this journal at an early date.

PERU AS A MARKET FOR CANADIAN PRODUCTS

TRADE COMMISSIONER E. L. MCCOLL

[Subjoined is the fifth of a series of reports on Peru, which has been prepared by Mr. McColl after a recent visit to that country, in which he investigated the openings for Canadian trade. Those on Wheat and Flour and other Foodstuffs were published in Nos. 1160 and 1161; on Tools and Hardware, Machinery, and Vehicles in No. 1163; and that on the Tariff, Documentation, etc., in No. 1162. The Peruvian pound has been calculated at \$4 Canadian currency, a fair average value covering the last three years. Weights are given in the metric ton of 2,204.6 pounds.]

Lumber and Paper

LUMBER

About 70 per cent of the lumber consigned to Peru enters by the port of Callao. Importers state that probably one-third of the entries into that port go straight through to the mining camps in the mountains. The business is largely in the hands of three merchant houses who control from 80 to 90 per cent of the trade. One of these is the branch of a United States merchant and steamship company operating throughout South America. The other two are British concerns trading on the Southern continent, one of which has its head office in Liverpool. Purchases for these three firms are made by means of branch or representative operating from San Francisco or elsewhere on the North American Pacific coast. Canadian quotations will be gladly received by these importers, but in case of business resulting such quotations would require to be referred back to the North American representative of the importer concerned, as the Peruvian house has no other means of checking the lumber for quality and price at the point of shipment, a policy to which they all adhere.

If business cannot be obtained from any one of these importers, the Canadian lumberman should endeavour to obtain orders direct from the retail distributors, amongst whom are two or three important firms. The writer visited both the central offices and also the yards and mills of the most important retail distributors, some of whom expressed a willingness to deal direct, supplying specifications to be forwarded to Canadian lumbermen of customary shipments which would serve as a basis for quotations. The specifications given on next page and supplied by two different importers are for number 2 clear and better of "M" list, but "Merchantable" is another class frequently dealt in.

Specification of Oregon Pine (Douglas Fir) for Callao

"M" List—No. 2 Clear and Better						Merchantable					
Inches		Feet			Feet B.M.	Inches		Feet			Feet B.M.
1	x	4	x	8/24	10,000	2	x	3	x	8/24	20,000
1	x	4	x	26/32	5,000	2	x	4	x	8/24	20,000
1	x	4	x	26/32	5,000	2	x	5	x	8/24	20,000
1	x	6	x	8/24	40,000	2	x	8	x	8/24	10,000
1	x	6	x	26/32	10,000	2	x	10	x	8/32	10,000
1½	x	6	x	8/24	45,000	2	x	12	x	8/32	20,000
1½	x	6	x	26/32	10,000	3	x	3	x	8/32	10,000
					120,000	3	x	4	x	8/32	15,000
						3	x	6	x	8/32	5,000
						3	x	8	x	8/32	40,000
						3	x	8	x	33/40	20,000
						3	x	10	x	8/32	20,000
						3	x	10	x	33/40	5,000
						3	x	12	x	8/32	25,000
						3	x	12	x	33/40	5,000
						4	x	4	x	8/32	10,000
						4	x	12	x	8/32	25,000
						4	x	12	x	33/40	15,000
						6	x	6	x	10/40	5,000
Merchantable											
1	x	9	x	8/24	10,000						
1	x	10	x	8/24	5,000						
1	x	12	x	8/24	50,000						
1	x	12	x	26/32	5,000						
1½	x	12	x	8/24	40,000						
1½	x	12	x	26/32	5,000						
1½	x	8	x	8/24	5,000						
1½	x	10	x	8/24	5,000						

Inches	Feet		Feet B.M.		Inches	Feet		Feet B.M.			
<i>Merchantable—Concluded.</i>					<i>"M" List—No. 2 Clear and Better—Concluded</i>						
6	x	6	x	24/40	5,000	1½	x	12	x	8/24	50,000
6	x	12	x	10/40	10,000	2	x	3	x	8/32	30,000
6	x	12	x	24/40	3,000	2	x	6	x	8/32	40,000
8	x	8	x	10/40	10,000	2	x	8	x	8/32	30,000
8	x	8	x	24/40	7,000	2	x	10	x	8/32	30,000
8	x	12	x	10/40	3,000	2	x	12	x	8/32	60,000
10	x	10	x	10/40	8,000	3	x	4	x	8/32	40,000
12	x	12	x	16/40	5,000	3	x	6	x	8/32	30,000
12	x	12	x	41/50	4,000	3	x	8	x	8/32	40,000
						3	x	10	x	8/32	40,000
					600,000	3	x	12	x	8/32	50,000

NOTE.—600,000 ft. board measurement is the unit of shipment of this particular importer, but quotations will be received for double this quantity.

"M" List—No. 2 Clear and Better.

1	x 6	x 8/24	90,000
1½	x 6	x 8/24	60,000
1	x 8	x 8/24	10,000
1	x 10	x 8/24	10,000
1	x 12	x 8/24	50,000

1,000,000 feet board measurement is the unit of shipment for this particular importer.

Douglas Fir.—Douglas fir (Oregon pine) and similar lumber aggregating 6,952,853 cubic metres was imported during 1924. The value of this timber constitutes 70 per cent of the total of all logs, rough and finished lumber, box shooks, etc., brought into the country. Because this wood is workable, strong and durable, at a reasonable price, it enjoys great popularity in the republic. Some years ago a similar class and quality came from northern Europe, but of late years the United States has been the chief source of supply. The greatest demand in Peru comes from the building contractors, then (in order of consumption) by the mines, railway companies, furniture manufacturers, and agricultural estates.

Doors.—There is a possibility that a market for doors might be developed. If a Canadian manufacturer were to take up the matter with the above-mentioned firms, it might be found that better and cheaper doors could be obtained from Canada than those which are made in Peru or bought elsewhere. In spite of the fact that the value of doors imported during 1924 was not large (\$21,000), and that the proprietor of one planing mill was not optimistic when the subject was brought up, the writer believes that there are possibilities. Cheaper labour and a duty with landing charges amounting to approximately 60 cents per 100 pounds are the chief handicaps. Canadian doors might not be able to compete with the cheapest class made locally, but from the appearance of Peruvian planing-mill equipment and the assortment of wood to choose from, it did seem that doors of such quality, variety, and choice as are made in Canada might find a ready market in Peru providing Canadian manufacturers would send their catalogues and c.i.f. quotations to importers with an offer to send one sample door without charge.

Peruvian planing mills depend almost entirely upon Douglas fir as a general-utility wood for doors, window frames, sashes, flooring, and furniture. For the better class cedar, redwood, white pine, and yellow Southern pine are employed. The wide selection of special woods which is available to Canadian mills for this class of work is, however, not possible in Peru.

Investigating the possibility of a market for one product sometimes leads to the finding of encouraging prospects for another. Imports of sectional wooden houses in 1924, 90 per cent of which originated in the United States, were valued at \$18,000. It was the general opinion that though this amount might double or treble in time, there was little possibility of an important trade developing. The almost universal method in South America is to build houses of brick and

cement, the roof being covered with tile. Even on the central plains of Argentina, miles away from any brick kiln, the farmer's house, barns, and labourers' dwellings are built of brick and tile made on the premises. In Peru a much cheaper wall construction is predominant, consisting of what appeared to be unbaked clay and gravel. On account of the prevailing practice, the opportunities for the importation of wooden houses are not encouraging. But it was believed that the employment of Canadian building boards might be developed. An extensive new suburb of Lima called Miraflores, consisting of middle- and high-class detached houses of North American type, is being quickly built up. There is much more wood apparent in these dwellings than is generally found in the Spanish type of South American house, which is largely one of brick and mortar with iron shutters and balconies. The attractiveness and appearance of comfort of this style is appealing to the taste of the upper-class Peruvian, with the result that it is becoming more popular. On account of the strength, lightness, non-warping and non-shrinking qualities of Canadian building boards, there should be an extensive use for them in this class of house, the increase of which is noticeable not only in Peru but in Valparaiso, Santiago, Buenos Aires, Montevideo, Rio de Janeiro, and (especially) Sao Paulo.

There are several furniture factories in Lima, and one or two in the interior. Retail lumber distributors generally operate a saw and planing mill, where they make up furniture to order. There are numerous carpenter shops which also accept orders for furniture. Douglas fir, pine, oak, cedar, and various other hardwoods imported from neighbouring countries are employed for this work, but in many cases the woods used are not properly seasoned. In this industry there should be a good demand for Canadian plyboard, which would make a strong and reliable base in the manufacture of a great deal of furniture. If this plyboard, on account of its utility and price, could in any way replace the more expensive woods in the list mentioned above, its popularity would be still further enhanced.

RAILWAY SLEEPERS

There are 2,100 miles of trackage in Peru, the sleepers for which are imported. The Peruvian Corporation, Limited, own the main railway system, extending to about 1,100 miles. This company uses from 160,000 to 200,000 sleepers a year, which are made from redwood imported from California. A small quantity comes from Chile, and an endeavour has been made to obtain quebracho ties from Argentina. That country, however, cannot supply her own needs, so that there is no likelihood of any quantity coming from that source. The general manager of the corporation stated that his railway would be pleased to receive sample ties and quotations c.i.f. Callao from Canadian lumber companies if there was something to be had which was equal in endurance to that which they were obtaining at present, and at no higher cost. The sleepers must stand up against the heavy grinding of a 4-per-cent grade and the moisture which prevails in the mountains. They must be free of all defects, the company reserving the right to reject those which it deems are not suitable. Besides this railway there are several others, the total trackage of which is about 1,000 miles.

The writer is thoroughly convinced that the principal of a Canadian lumber company should go to South America, visiting Lima in Peru and Buenos Aires in the Argentine. During 1924, Argentina imported 15,000,000 square metres of Southern pine and only 2,000,000 square metres of spruce. The preference of the Argentines therefore is for the more expensive wood. It is believed, however, that much business could be diverted in favour of British Columbia spruce if the principal of some important lumber company would visit the market. He must be the president or principal director, with authority to act on the spot. A man of this standing could initiate, without doubt, good business both in Peru and Argentina. Should such a principal decide to make the trip, he should get

in touch with some of his friends who are themselves important producers of British Columbia products in order to take with him samples of their goods, which might include plyboard, roll and flat newsprint, roofing material, tinned butter, and salmon. It may seem strange to mention butter amongst the articles which a lumberman should carry, but it may be stated in explanation that one of the principal lumber importing companies in Peru particularly requested to be put in touch with Canadian butter manufacturers.

VALUE OF IMPORTS

The value of woods imported into Peru, with the principal countries of origin, for the nine months ending September, 1925, and for calendar years 1924 and 1923, was as follows:—

Year	Value	Percentage
1925 (Jan.-Sept.)	\$2,109,000	
1924	2,545,000	United States 82
		Chile 6
1923	2,570,000	United States 84
		Chile 3
		Canada 2

FOREST RESOURCES OF PERU

The forest resources of Peru on the Pacific side of the Andes are confined to small scattered mixed stands at various points in the foothills. The trees of commercial value are cedar, eucalyptus, and various other hardwoods. Unfortunately they are inaccessible from a commercial point of view on account of lack of transportation, as they are located in isolated places up to 300 miles or more from Lima, which is the centre of lumber consumption.

On the eastern side of the Andes the whole country is more extensively timbered, but there seems to be no communication on a commercial scale between this section of Peru and the more industrial and active coastline. In the north-eastern section of the republic extending eastward to the Brazilian frontier there exists a growing lumber industry not only for local consumption but for export. Log rafts are guided by natives down the Huallaga, Ucayali, the Marañon, and other lesser rivers of the Upper Amazon to the neighbourhood of Equitos, the eastern port of Peru, where there are several saw-mills.

Lumbering has to be carried on close to rivers, there being no other means of transport. Stands are very mixed and sparse, making the collection of the three or four kinds of wood most in demand an expensive task as the individual trees are at times widely separated. Much of this Peruvian timber of the Amazon basin is similar to Brazilian woods. (It may be of interest to some readers to know that an extensive collection of samples of Brazilian woods, with detailed technical information, was obtained by the writer, on behalf of the Commercial and Industrial Museum of Montreal, when he was Trade Commissioner in Brazil.)

As described above, the developed part of Peru, which is the coastline with Lima as its centre, will be unable, so far as is known at present, ever to supply the necessary constructional timber requirements from its own forests. There will be for many years to come an increasing demand for soft and workable yet strong and durable timber such as can be supplied by British Columbia and other parts of Canada.

Below are given details covering the most important classes of wood imported during the last three years, which show that the United States supplies considerably over 80 per cent of the market.

Douglas Fir		
Year	Value	Percentage
1925 (Jan.-Sept.)	\$1,147,000	
1924	2,028,000	United States 97
		Canada and Chile 3
1923	1,600,000	United States 96
		Canada 3

Year	<i>Box Shooks</i>		Percentage
	Value		
1925 (Jan.-Sept.)	\$274,000		
1924	284,000	United States	98
		Chile	1
1923	195,000	United States	93
		Germany	5
<i>Sleepers</i>			
1925 (Jan.-Sept.)	\$200,000		
1924	393,000	United States	62
		Chile	33
		Colombia	5
1923	247,000	United States	66
		Chile	20
		Colombia	10
<i>White, Yellow, Red or Pitch Pine</i>			
1925 (Jan.-Sept.)	\$ 60,000		
1924	100,000	United States	96
		Germany	4
1923	72,000	United States	99
<i>Logs and Lumber not Classified</i>			
1925 (Jan.-Sept.)	46,000		
1924	66,000	Chile	50
		Costa Rica	32
		United States	14
1923	13,000	Chile	69
		United States	28
<i>Spruce or Pine Planed</i>			
1925 (Jan.-Sept.)	\$29,000		
1924	77,000	United States	100
1923	56,000	United States	99
<i>Mouldings</i>			
1925 (Jan.-Sept.)	\$21,000		
1924	35,000	Italy	53
		Germany	26
		United States	8
1923	18,000	Germany	49
		United States	29
		Italy	17
<i>Sectional Houses</i>			
1925 (Jan.-Sept.)	\$15,000		
1924	18,000	United States	90
		Spain	10
1923	26,000	United States	50
		Germany	50
<i>Doors and Windows</i>			
1925 (Jan.-Sept.)	\$ 8,000		
1924	21,000	United States	99
		Canada	1
1923	1,000	United States	100
<i>Handles</i>			
1925 (Jan.-Sept.)	\$14,000		
1924	16,000	United States	93
		Great Britain	6
1923	14,000	United States	85
		Great Britain	12

Paper

Considerable interest was expressed by several paper importers concerning prospects for Canadian papers in Peru. Nearly all of them were desirous of hearing from manufacturers, although it was pointed out that German and Scandinavian products were gaining ground apparently at the expense of those of the United States. There is an active demand from hardware merchants for a first-class strong wrapping paper, and as regards which one importer wished

to receive particulars. It would not be found easy to introduce office-supply papers, including that required by blank book binders, unless a stock were kept on hand by two or three of the largest importers in Lima as well as by at least one in each of the other principal towns. Consumer propaganda of one kind or another would be essential at the outset in order to make the paper known to buyers. The expense for this advertising would require to be borne by the manufacturer and not by the agent, as the small commissions gained during the period of introduction would not be sufficient remuneration for the time and money spent by the Peruvian representative. There is an active demand for ordinary newsprint, both roll and flat, and a very small consumption of glazed flat. The greater portion of these papers are of German or Scandinavian origin. Below are statistics showing Peruvian imports of all classes of paper for the first nine months of 1925, and for the years 1924, 1923, and 1922:—

PAPER IMPORTS FOR THE PAST FOUR YEARS

Year	Value	Percentage
1925 (Jan.-Sept.)	\$1,110,000	
1924	1,502,000	Germany 28
		United States 24
		Norway 12
1923	1,340,000	Germany 32
		United States 31
		Norway 8
1922	1,487,000	United States 35
		Germany 33

Paper Imports for 1924

Ordinary Printing.—3,384 tons valued at \$282,000: Norway, 42 per cent; Germany, 40 per cent.

Glazed Book.—1,207 tons valued at \$207,000: Germany, 50 per cent; United States, 11 per cent.

Wrapping.—560 tons valued at \$70,000: Germany 54, Norway 18, and Sweden 18 per cent.

Type of paper known locally as "*Gondron*."—229 tons valued at \$30,000: Germany 50, Sweden 21, and Norway 14 per cent.

Writing.—168 tons: Italy 27, Holland 26, Germany 20, and United States 13 per cent.

Serpentine Ribbon.—97 tons: Germany 82, Holland 13 per cent.

Glazed Coloured.—84 tons: Germany 46, Belgium 15, and United States 10 per cent.

Cigarette.—75 tons, supplied by Spain and Italy.

Paraffined Transparent.—38 tons valued at \$26,000, principally from Germany, United States supplying 19 per cent.

Blotting.—23 tons valued at \$6,600, 75 per cent from the United States.

Tissue.—22.7 tons valued at \$12,000, 44 per cent from Germany.

Photographic.—21 tons valued at \$50,000, 65 per cent from the United States.

Carbon.—3.3 tons, 54 per cent from the United States.

COMMERCIAL CONDITIONS IN ARGENTINA

D. FORSTER, OFFICE OF THE CANADIAN TRADE COMMISSIONER

[NOTE.—Unless otherwise mentioned, values are given in Canadian currency, the exchange used being 1 paper peso = 40 cents (Canadian); 1 gold peso = 91 cents (Canadian).]

Buenos Aires, April 17, 1926.—Exports from Canada to Argentina have been steadily increasing since the year 1922, the total for the twelve months ending January, 1926, being \$11,959,666—again a record figure. Imports into Canada from Argentina for the same period amount to \$4,023,942.

Exchange during March opened at 40.75 cents to the Argentine paper peso and after dropping to 39 cents in the middle of the month it reached 39.92 cents

on the last day. At the time of writing the Argentine paper peso remains steady at 39.75 cents. (Par value is 42.45 cents).

Cereal Production.—The final official figures of production of the 1925-26 crop of cereals have recently been issued, the difference of 643,000 tons in the wheat crop (which totals 5,202,062 tons) compared with the official forecast of December 15 being attributed to heavy and continuous rain during late December and early January, which seriously affected the south of the province of Buenos Aires and the Pampa. The exportable surplus on April 9 was estimated at 2,211,560 tons. The production of linseed was 1,907,989 tons (1,198,045 tons exportable surplus); of oats, 1,167,484 tons; of barley, 371,316 tons; and of rye, 120,231 tons.

Customs Receipts.—For the present year up to April 17 customs duties on imports were \$35,529,914, which is $2\frac{3}{4}$ per cent more than for the same period of 1925, and export duties were 1,746,200 compared with \$3,251,112. The above would indicate that imports are higher, and although export taxes are on a lower scale than last year actual exports are undoubtedly lower than during 1925, when the balance of trade was slightly against the country.

Exports.—The total exports of the four principal cereals (wheat, maize, linseed and oats) at the commencement of the year were very much below those of last year, but recent heavy shipments—the past week having marked a record for this year—have now brought the total for January 1 to April 15 to within 6,560 tons of the amount of cereals shipped during the corresponding period of last year. Wheat shipments are 722,000 tons less, but shipments of the other three cereals have together increased almost to a similar extent.

Exports of barley and flour for the first three months of 1926 are each about 2,000 tons less than during the same period of 1925, being 38,562 tons and 36,571 tons respectively. Wheat products shipments, however, are 67,652 tons compared with 47,868 tons.

Shipments of chilled beef, which go entirely to the United Kingdom, are 1,279,208 quarters, an increase of 122,000 quarters over the first three months of 1925, but frozen beef is only 778,184 quarters, a decrease of 538,470 quarters. Frozen mutton and lamb exports are much below last year's average, being 602,391 carcasses compared with 1,141,139 carcasses. Canned meat shipments are also lower, 496,178 cases as against 674,382 cases.

Decreases for the first quarter of 1926 compared with the same period of 1925 are also shown in quebracho logs, quebracho extract, hay and alfalfa, calf skins, dry ox hides, salt ox hides, horse hides, goat skins, hair, cotton and tallow. Exports of butter show a slight increase. Wool shipments, on the other hand, are almost double those for the first quarter of 1925, but slightly less than for each of the previous three years.

General.—Railway traffic receipts on the eight British railways in Argentina, with a total mileage of 15,527 miles, from July 1, 1925, to April 10, 1926, show a net increase of £400,000 over the corresponding period of the previous year. The largest railway system shows an increase of £768,000, while the next in order of importance shows a decrease of £623,000. Four of the smaller railways show slight improvements, while the receipts of the other two are a little lower.

The Buenos Aires bank balances as at February 28 show deposits to be \$3,200,000 less than at the end of January, discounts and advances a \$4,800,000 increase, and cash in hand a decrease of \$8,800,000. Paper money in circulation still remains at 1,319,797,739 paper pesos, covered by a gold reserve in the "Caja de Conversión" of 451,782,984 gold pesos, a backing of 77.8 per cent.

Liabilities in commercial failures during the first quarter of 1926 were \$16,088,724, a figure very much in excess of that during the first three months of any year since 1915.

BELGIUM'S FOREIGN TRADE

TRADE COMMISSIONER YVES LAMONTAGNE

IV

Imports from the United States, 1925

Brussels, April 15, 1926.—In 1925, according to Belgian statistics, imports from the United States formed 12.2 per cent of the value of Belgium's total imports from all countries. An analysis of these imports will be most useful as a guide to the nature of the articles which Canada should be able to export to this country.

IMPORTS INTO BELGIUM FROM THE UNITED STATES, 1925

Group	Quantity Kg.	Value Francs	Per Cent Value
I Live animals and animal products	9,676,062	73,197,663	3.4
II Grain, fruit, vegetables and products	563,075,211	1,138,298,349	52.3
III Ores and minerals and products	332,514,036	293,673,397	13.5
IV Food products, beverages and tobacco	91,578,395	193,281,491	8.9
V Chemical and pharmaceutical products	8,122,710	21,792,251	1.0
VI Soap, wax, oils, greases and products	124,337	715,764	....
VII Furs and skins and leather goods	125,174	11,974,903	0.6
VIII Textiles and their products	489,963	4,437,974	0.2
IX Clothing, piecegoods and lingerie	984,915	4,265,737	0.2
X Wood and its products, woodenware	48,075,778	48,878,339	2.3
XI Rubber and its manufactures	1,110,616	24,518,314	1.1
XII Woodpulp, paper and paper products	494,769	3,504,029	0.2
XIII Stone and mineral products, pottery	192,683	2,650,019	0.1
XIV Glass and its manufactures	15,336	140,901	....
XV Metals and their products	25,652,439	125,251,552	5.8
XVI Machinery and apparatus	8,873,139	91,440,568	4.2
XVII Vehicles other than railway	12,424,260	127,021,644	5.9
XVIII Clockwork and scientific apparatus	6,100	553,191	....
XIX Musical instruments	20,899	737,526	....
XX Firearms	2,400	191,665	....
XXI Miscellaneous articles	184,098	7,409,993	0.4
Total	1,108,743,910	2,173,937,270	100.0

Owing to the great variety of products exported from the United States to Belgium, an examination of the American exports to this country in 1925 is best made by analysing the figures for the groups given in the foregoing table. (The figures given in brackets in the following are for *thousands of francs*.)

ANIMALS AND PRODUCTS

Group I.—The commodities included in the live animals and animal products group are:—

Lard (31,800); raw hides (17,200); greasy wool (3,080); wool noils and combing waste (1,558); oleomargarine (2,911); other edible animal fats (1,919); animal fats for industrial use (1,421); other animal oils and fats (339); cheese (2,475); honey (1,374); furs manufactured (1,503); live animals, bulls, 286 head (367), oxen, 285 head (650), cows, 232 head (284); guts (2,011); sponges (671); rabbits' hair (308); glue stock (267); refrigerated pork (164).

(See also Groups IV and VII.)

PRODUCTS OF THE VEGETABLE KINGDOM

Group II.—The vegetable products group contains the two largest individual items in Belgium's imports from the United States, namely wheat and cotton. For wheat, the figures are 352,544,303 kilos, valued at 484,275,881 francs, and for cotton 38,356,100 kilos, valued at 440,477,561 francs. Belgium's total imports of wheat in 1925 amounted to 1,153,763,362 kg., of which Argentina supplied 32.5 per cent, the United States 30.5 per cent, and Canada 18.4

per cent. Australia provided 3.5 per cent, and the remaining 15.1 per cent were supplied by France, Russia, British India, Holland, Rumania, Great Britain, Germany, Chile, and Dantzic, in the order named.

Besides wheat and cotton, the following imports included in this group may be mentioned:—

Barley (88,527); oats (45,028); rye (5,514); corn (3,175); buckwheat (935); peeled rice (5,975); malt (4,195); wheat flour (3,588); corn flour (554); oatmeal (2,963); corn starch (1,954); dextrine and similar products (656); semolina (159); oilseed meal (288); peas and beans, dried (193); dried apricots (1,593); dried apples (375); apple cores and peels (218); prunes (4,654); raisins (2,520); raw hemp (1,191); cotton waste (11,923); gums and resins (6,262); crude rubber (796); turpentine (3,638); hops (5,749); piassava and other fibre for brush making (1,921); coffee, not roasted (7,153).

(See also Group IV.)

MINERAL PRODUCTS

Group III.—This group pertains to earths, stones, ores, fuels and their distillation products, mineral oils and bituminous substances. The most important items under this heading refer to petroleum oils, crude and refined. They are:—

Petrol or gasolene (109,465); paraffin or coal oil (50,691); lubricating oils (77,930); fuel oils (8,550); and crude oils (48)—a total of 280,449,721 francs.

Other imports are:—

Paraffin wax (1,252); vaseline (955); asphalt or bitumen (1,113); zinc ore and blend (33,765); natural phosphate of lime, crude or ground (7,400); sulphur (441); cements (231); abrasives, rough or ground (283); and mica in sheets (92).

(See also Groups XIII and XV.)

FOOD PRODUCTS AND TOBACCO

Group IV.—The food products, beverages and tobacco group contains five important items, namely:—

Oilcake (88,083); tobacco, unstemmed (46,960); meats not in boxes, jars, tins, etc., principally bacon (33,590); sausages, saveloys and the like (10,507); and canned fish of all kinds, including lobster (7,105).

The other imports in this group are:—

Canned fruit (2,096); condensed milk (1,314); glucose (981); tobacco, stemmed (506); cigars (264); smoking tobacco (69); liquorice (389); canned meats (326); sugar, crystallized (187); canned vegetables (99); infants' food (93); syrups of all kinds (47); biscuits (39); candy (22); and chocolate, in bars, etc. (10).

CHEMICAL PRODUCTS AND SOAPS

Groups V and VI.—The total imports under the heading chemical and pharmaceutical products, waxes and soaps, amount to only 22,408,015 francs, or slightly over \$1,000,000. The first group includes:—

Paraffin wax (8,925); aniline dyes (2,778); varnishes, lacs and siccatives, so-called enamel paints (1,963); paints, chalk base, mineral pigments (115); enamels, lump, powder or liquid (160); oxides and anhydrides (1,289); lampblack or mineral black (1,079); acetone (962); tanning extracts (683); drugs (449); borate of soda (327); vaseline (314); white lead (268); oleic acid (188); typewriter ribbons (164); acetate of lime (162); zinc oxide (120); chromate and bichromate of potash and soda (111); wood tar (67); oil putties and mastics (102); printers' ink (70).

The sixth group includes:—

Common soap (323); toilet and shaving soaps (204); encaustics and polishes (107); and miscellaneous perfumery (117).

FURS AND SKINS

Group VII.—Imports of furs and skins, prepared or manufactured amounted to approximately \$544,000. They include:—

Skins, varnished or lacquered (6,623); goat, kid, and sheep skins (a) painted or moroccoed and imitations (2,111); (b) dyed black (1,292); (c) dyed in other colours than black (1,412).

(See also Group XXI.)

TEXTILE GOODS

Groups VIII and IX.—Products of the textile industry, including clothing and piece goods, of American origin, would not naturally be expected to find a ready market in Belgium, where the clothing and textile industries are highly developed, or in competition with French and British goods, so we find that such imports only total up to about \$400,000.

The principal commodities imported under the first of these groups are:—

Manila hemp yarns (959); pegamoid fabrics and waxed cloths coated with a celluloid or nitro-cellulose base (802); rubbered fabrics (648); oilcloths (399); silk wadding (305); rags (277); emery glass and sand cloth (261); cotton counterpanes (164); cotton fabrics for filter presses (83); twine, cordage, other than cotton (57); conveyor belts (33).

The second group embraces chiefly sacks for packing (3,138), and other imports under this head are:—

Miscellaneous made-up textile fabrics (234); men's hats (147); clothing, women's (136); corsets (131); cotton underclothing (123); clothing, men's (87); silk hosiery (80); house linen (62); and woollen hosiery (14).

WOOD AND PAPER PRODUCTS

Groups X and XII.—The principal article imported from the United States under the heading wood and its products is lumber, sawn and square (45,473), chiefly pitch pine and Columbian pine. The fact that the properties of woods from the Baltic ports are well known, and the proximity of these ports, are factors which make the sale of American lumber in Belgium very difficult. Belgium obtains the greater part of its construction lumber from Finland, and other important suppliers are Sweden, Norway, Russia, Poland, Lithuania and France. Imports of doors, sashes, flooring, wallpanels and other joinery wood from the United States total 1,410,306 francs; casks, vats, tubs and similar goods (291); household utensils (64); furniture other than chairs (58); handles and turned goods (45); shoemakers' pegs (37) and miscellaneous articles (308).

In the paper and paper products group, imports from the United States are comparatively small. The wood-pulp employed in Belgian paper-mills comes mainly from Norway, Sweden, Finland and Germany, and the statistics show no imports of pulp from the United States. The chief American exports to Belgium in the paper class are:—

Paper board (583); miscellaneous paper and board, in sheets or rolls, including wall-paper (454); manufactures of paper or hard board, cellulose and papier maché (282); carbon copying paper (252); paper and board in rolls or strips less than 13 cm. wide (193); emery, sand or glass paper (148); and stationery (17).

There appear to be no imports of newsprint paper from the United States, Belgium's surplus requirements in this respect being supplied chiefly by Holland and Norway.

RUBBER GOODS

Group XI.—Rubber tires (19,924) are the largest item in the rubber group. Other imports under this heading include:—

Belting (1,490); bands of rectangular, square or round section (873); tubing of all kinds (754); sheets with metal or fabric (276); sheets (246); toys and sport goods, including tennis balls (219); water-bottles, air-cushions and the like (32); mats (20); rubber solution (56); rubber goods of all kinds not specially mentioned (469).

(See also Group XXI.)

ABRASIVES, ASBESTOS AND GLASS MANUFACTURES

Groups XIII and XIV.—Imports included in the stone, mineralware and pottery group are:—

Artificial abrasives, grinding wheels, etc. (1,657); asbestos fabrics (430); asbestos board (261); other asbestos manufactures (81); hand sharpening or whet stones (92); and slate writing boards (51).

In glass and glassware, Belgium is an outstanding manufacturing and exporting country, and the only American products imported under this group are reflectors, lamp shades, globes and similar lighting apparatus—a total of 70,616 francs.

METALS AND MANUFACTURES

Group XV.—The following iron and steel products were imported:—

Steel vehicle springs, laminated (3,028); cast-iron, crude (2,560); cast-iron goods not specially mentioned (416); rails (362); sheet iron, corrugated, galvanized, etc. (288); hoop iron (391); steel wire for card clothing manufacture (185); cold-drawn wire and rods (127); cold-drawn pipes (175); malleable iron pipe joints (223); sheet iron goods (411); lawn mowers (133); saw bands (254); files and rasps (462); vices, stocks and dies, ratchet and bit braces, spiral drills, wrenches and spanners (623); plane irons, chisels, pipe-cutters, borers, gimlets, bits and other hand tools (125); tools for machine tools (187); tools not specified (786); horse-shoe nails (85); transmission chains (192); keys, bolts, hinges and similar fittings (65); ironware for carriages or rolling stock (131); sewing and knitting needles (54); spiral springs (58); stereotypes (59); pocket knives (22); furniture (256); cutlery (11); household utensils (21); fasteners, hooks, buckles and similar goods (143); articles of personal adornment (340); bolts, screws and nuts of all kinds (1,233); safety razors and blades (1,881); other manufactures (317).

(See Groups XVI and XVII.)

Copper imports were as follows: rough cast in ingots, blocks, sheets and scrap (92,280); sheets or plates (564); wire or rods (701); brass and alloys (88). *Nickel* in sheets, plates or leaves, beaten or rolled (980); wire or rods (49). *Zinc*, crude, in lumps, pigs, filings or scrap (5,637); wire or rods (24). *Lead*, crude, in lumps, pigs, etc. (3,712); in sheets, simply rolled (1,615); tubing and joints (305); wire or rods (71). *Aluminium*, in sheets, plates or leaves (581); corrugated or cut sheets (207); tubing (343); wire or rods (103).

MACHINERY AND APPARATUS

Group XVI.—This section includes the following items:—

Stationary steam engines without their boilers, steam pumps, compressors, gasolene motors and the like, piston action (25,272); typewriters, calculating machines, cash registers, etc. (12,635); machinery of iron or steel not specially mentioned and parts (11,019); axles, straight (8,840); steam, oil or gasolene tractors (5,453); agricultural machinery (4,490); electric accumulators and parts (3,876); electric apparatus with insulated wire windings, not specified (2,915); electric apparatus without insulated wire windings, not specified (2,726); machine tools (2,497); lifting appliances of all kinds (1,476); electric dynamos (1,439); ball bearings (1,186); carbon electrodes (950); machinery, apparatus and parts containing copper n.o.p. (613); knitting and hosiery frames (593); telegraph and telephone apparatus (555); railway or tramway rolling stock (546); spinning frames (425); electric meters (370); portable steam engines, including boilers (367); pneumatic machine tools (288); spinning mill, water and other meters (180); fly wheels (221); sewing machines, without frames (252); porcelain insulators (192); other electric insulators (181); railway switching material (152); dry batteries (55).

AUTOMOBILES AND MOTORCYCLES

Group XVII.—Imports under this heading were:—

Automobiles, chassis, with or without engines or bodywork (36,843); automobile parts (84,216); automobile accessories (3,752); motor cycles (722).

(See also Group XI.)

MISCELLANEOUS PRODUCTS

Group XVIII.—The clockware and scientific apparatus imports were:—

Laboratory apparatus (203); surgical and medical apparatus (74); optical goods (110); alcoholometers, densimeters, thermometers, etc. (47);

Group XIX.—Imports of musical instruments were:—

Gramophones (272); player pianos (220); metal parts for gramophone diaphragms (43).

Group XX.—Firearm imports included:—

Automatic pistols (150); revolvers (13).

Group XXI.—The principal items under the heading of miscellaneous goods were:—

Celluloid and products (4,207); cinematograph films (843); rubber footwear of all kinds (600); leather footwear (373); fancy goods (258); cartridges (215); gunpowder (206); packing for steam fittings (125); fountain pens and stylos (107); brooms and brushes (84); pencil leads (28); braces, garters, etc. (20).

While the above-mentioned items include practically all specified imports from the United States into Belgium in 1925, as given in Belgian official trade returns, it is essential to remember that these imports are not all intended for consumption in Belgium, but include commodities imported in transit and destined to other European countries. This transit trade is very important. Nevertheless, it will be possible from a glance at these statistics to estimate the possibilities which Belgium offers as a market for Canadian products.

(NOTE.—To find the value in dollars of the commodities imported from the United States, add 000 to the figures given in the bracket following each item mentioned above and divide by 22, this number being the average rate of exchange in francs per dollar during 1925.)

FOX BREEDING IN FRANCE

TRADE COMMISSIONER HERCULE BARRÉ

Paris, April 8, 1926.—France, which is the gateway for a large part of Europe, offers a good market for Canada's live foxes, and one that should grow each year in importance, provided none but sound, pedigreed animals are shipped under travelling conditions ensuring their arrival in the best of health.

Requests have recently been received by an association owning an experimental farm at Mégève (Haute-Savoie) for the offspring of Canadian parents acclimatized in France, from Spain, Italy, Roumania, and Germany. The association's efforts are solely directed to developing the real technique of fox-breeding in France; the question of dividends is for the time being set aside. If the results are such as to prove that a breed can be produced with all the fine characteristics of the Canadian parent the association will then develop the industry on a large scale, not only in France but in every country of Europe offering suitable climatic conditions and in which they can obtain a foothold. Canada will have to supply live animals to maintain the breeds up to pedigree standards. To popularize the industry, and stimulate the demand for silver fox, the association has just had a film of their ranch prepared by Messrs. Pathé Frères, shortly to be shown at most cinemas in France.

An article recently appeared in *Le Figaro* on the possibilities of the fox-breeding industry in France. The tone was aggressively optimistic throughout. It is definitely affirmed that the French offspring exhibit and even accentuate the good qualities of their Canadian sires. Reference is made to the breeding farm known as "Les Renardières Françaises" at Combloux, in the Alps. Here, as at Mégève, the technical conditions of the ranch and management are as perfect as science and care can make them. In the course of his article, the author states that the industry has already been started with success in Belgium, Switzerland, Norway, Czecho-Slovakia, Prussia, and Bavaria.

The importation of foxes into France is subject to the following regulation: a transportation permit for live animals must first be obtained from the "Direction Générale des Eaux et Forêts", 78 rue de Varenne, Paris. This request should be made beforehand, on stamped paper, and should give the name and address of both the shipper and consignee. Although this matter can be attended to by either the shipper or consignee, it would appear that the French importer, being on the spot, is in a better position to see that everything is in order.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Certificates of Origin for Grain and Flour Imported into Czecho-Slovakia

TRADE COMMISSIONER L. D. WILGRESS

Hamburg, April 28, 1926.—According to a decree of the Czecho-Slovak Minister of Customs, dated April 17, 1926, imports into Czecho-Slovakia of goods of Class VI of Customs Tariff items No. 23 to 33 inclusive—i.e. grain, malt, pulse, flour and milled products—will only be allowed after April 21, 1926, if the consignment is accompanied by a certificate of origin.

Only those certificates, issued by Chambers of Commerce in the country of origin and provided with the visa of the representative Czecho-Slovak authorities in that country—i.e. the respective Czecho-Slovak Consulate or Legation—will be accepted. Only those consignments, from the shipping documents of which it can be seen that they were shipped not later than the date of the publication of this regulation, will be admitted without a certificate.

The Ministry of Commerce will decide in each individual case about the import permission of overseas consignments.

The above is a translation of the decree as published in the official *Gazette*. It is understood that no specific regulations have yet been drawn up. Inquiry at the Czecho-Slovak Consulate-General at Hamburg has elicited the information that shipments of Canadian flour destined for Czecho-Slovakia should be accompanied by a certificate of origin issued by a Canadian Chamber of Commerce and provided with the visa of the Czecho-Slovak Consul-General at Montreal, whose address is 218 Bishop street. In cases where the shipment is broken up on arrival at Hamburg into small lots for shipment to various consignees in Czecho-Slovakia, it has been provisionally arranged that the Canadian Government Trade Commissioner at Hamburg can issue certificates of origin covering each separate shipment, which certificates will be provided with the visa of the Czecho-Slovak Consulate-General at Hamburg, who charges a fee of \$1.50 for each visa. Since in the great majority of instances the Canadian exporter is not aware when the flour is shipped from Canada, what proportion and in what lots the flour will be sent to Czecho-Slovakia after arrival at Hamburg or other continental port, this arrangement should prove of great practical convenience, but it is advisable in all instances for the Canadian exporter to obtain a certificate of origin provided with the visa of the Czecho-Slovak Consul-General at Montreal in the case of each shipment of flour, the ultimate destination of which may be Czecho-Slovakia. This certificate can then be presented to the Canadian Government Trade Commissioner at Hamburg along with the shipping documents and will assist him in making out separate certificates for each lot shipped to Czecho-Slovakia and in obtaining the visa of the Czecho-Slovak Consul-General at Hamburg on these certificates.

It must be understood that the above arrangements are provisional subject to specific regulations being later drawn up by the Czecho-Slovak Ministry of Commerce.

Greek Tariff and Regulations regarding Imports of Flour

ACTING TRADE COMMISSIONER JEAN J. GUAY

Milan, April 30, 1926.—The Greek Government has by a decree dated January 12, 1926, fixed the customs dues on flour at 9 gold drachmas per metric quintal of 220 pounds. For purposes of conversion from paper to gold drachmas, the factor 3 had been established by another decree of the same date. This

was brought up to 4, however, on March 12, and further raised to 5 by a later decree of the Ministry of Finance, under date of April 23, 1926. The resulting rate of duty which was 27 paper drachmas on January 12, became 36 on March 12, and has now reached 45 paper drachmas per 220 pounds. (The value of the paper drachma was quoted as 1½ cents on May 10).

A new decree has been drafted with regard to the chemical properties of flour, and while not yet promulgated, it is believed that it will follow closely the lines of that in force from June, 1925, up to January 12, 1926. The restrictions to be placed on flour are understood to be as follows:—

	Imported Flours		Greek Flours
	1st Quality Percentage	2nd Quality Percentage	Percentage
Acidity in sulphuric acid	Max. 0.120	0.150	0.150
Moist gluten	Min. 26.00	28.00	26.00
Ash	Max. 0.60	1.00	1.30
Water absorption of gluten	Min. 66.00	60.00	....
Moisture	Max. 13.50	13.50	13.50

It is being claimed by Greek importers of foreign flour that the promulgation of such a decree will effectively prevent the importation into Greece of all foreign flour. If foreign second-grade flours cannot enter into Greece, the local millers will be able to so lower their prices on high-quality flours as to prevent competition, and then advance their prices on the lower grades in such a manner as to recoup any losses on the sales of the higher grades.

Canadian exports of flour to Greece for the twelve-month period ending March 31 in each respective year have been as follows: 1921, 139,267 barrels; 1922, 14,218 barrels; 1923, 219,420 barrels; 1924, 271,113 barrels; 1925, 262,449 barrels; and for the 10-month period ending January 31, 1926, 207,078 barrels.

Points to be Observed in Preparing Brazilian Consular Forms

Mr. A. Stuart Bleakney, Canadian Government Trade Commissioner at Rio de Janeiro, calls attention to the Brazilian Consular regulations which require that all Consular invoices presented for visé at Brazilian Consulates must have the value on the back of the form shown in pounds (sterling), shillings and pence. Conversion is to be made at the rate of exchange of the day. Since March 1, 1926, this requirement has been strictly enforced. Canadian firms are still to show values on the face of the invoice in dollars.

Condensed Milk Regulations in Cuba

The Consul General for Cuba, Montreal, writes as follows:—

“Article 42 of the Health Regulations of Cuba will be strictly enforced. This article reads:

It is forbidden to import, to keep or to sell adulterated condensed milk. In effect this regulation will be understood to mean that condensed milk is a pure healthy milk to which a part of its water content has been extracted, and which may have some sugar. This milk will be considered adulterated when its fat content will be less than 25 per cent in relation with the solid content and to which some foreign substance has been added, other than the sugar, in order to keep the milk for some length of time.

All condensed milk cans or any other milk kept in can must have a label in which it is stated in Spanish the date on which the milk was canned, and the date at which it will probably be decomposed.

“This second paragraph will be so strictly enforced that any canned milk that may arrive in Cuba without this label will be confiscated.”

"LUMBER MARKET OF JAPAN": NEW FORTHCOMING PUBLICATION

A supplement to the *Commercial Intelligence Journal* under the above title by Mr. A. E. Bryan, Inspector, Trade Commissioners' Offices, formerly Trade Commissioner to Japan, is in the press and will shortly be published. With the exception of one chapter on "Market Demands, Specifications and Requirements", which has appeared in the *Commercial Intelligence Journal*, the whole of this report will now be first published. It includes chapters on the Domestic Timber Industry of Japan; Afforestation; Siberia as a Competitor in the Japanese Market; Conditions Governing Demand and Supply; the Comparative Importance of the Lumber Trade to Canada and Japan; an Analysis of Japan's Timber Imports since the Earthquake; Price Movements; the Freight Market; and Grades and Inspection of Lumber.

The price of this pamphlet, which will extend to about 80 pages, is 25 cents, but it should be noted that a copy will be sent free *on request* to any subscriber to the *Commercial Intelligence Journal*. As the edition is limited, and it will not be possible to print a second issue, very early application for copies should be made to the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa.

NORWAY TO EXPORT PORK

The Norwegian Department of Agriculture has taken up the question of organizing the export of pork and bacon to England, writes a correspondent in Oslo of the *London Times Trade Supplement*. The price of pork is at present more or less on the same level as in 1914, and as prospects in the home market are bad, the plan of fostering exports has attracted much interest. The Norwegian agricultural adviser in Newcastle, who has been called home to a conference with the Norwegian authorities, is of opinion that if the farmers are able to produce pork of first-class quality and to make regular consignments, Norway will succeed in working up a profitable trade during the autumn and winter months. Bacon, however, requires special treatment, and until this treatment is learned in Norway he considers it useless to offer Norwegian bacon in the English market. The matter will be discussed at a conference.

BRITISH TRADE COMMISSIONERS IN CANADA

Canadian importers and others desirous of obtaining information regarding the export trade of the United Kingdom and British manufacturers desirous of representation in Canada, are invited to communicate with the under-mentioned:—

The Senior British Trade Commissioner in Canada and Newfoundland, 285 Beaver Hall Hill, Montreal, Que. Telegraphic address: "Britcom."

The British Trade Commissioner (for Ontario), 901-902 Bank of Hamilton Bldg., Toronto, Ont. Telegraphic address: "Toroncom."

The British Trade Commissioner (for Western Canada), 18 Commerce Bldg., Vancouver. Telegraphic address: "Vancom."

The Officer-in-Charge (for Manitoba and Saskatchewan), British Trade Commissioner's Office, 703 Union Bank Bldg., Winnipeg. Telegraphic address: "Wincom."

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING MAY 17, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending May 17, 1926. Those for the week ending May 10, 1926, are also given for the sake of comparison.

		Parity	Week Ending May 10, 1926	Week Ending May 17, 1926
Britain	£	1.00	\$4.8500	\$4.8668
Belgium	Fr.	1.	.0311	.0295
Czecho-Slovakia	Crown	1.	.0296	.0296
Finland	Mark	1.	.0252	.0252
France	Fr.	1.	.0314	.0301
Holland	Florin	1.	.4018	.4025
Italy	Lire	1.	.0400	.0368
Spain	Pes.	1.	.1438	.1444
Portugal	Esc.	1.	.0520	.0520
Switzerland	Fr.	1.	.1935	.1934
Germany.. . . .	Reichs Mk.	1.	.2282	.2382
Greece	Dr.	1.	.0125	.0127
Norway.. . . .	Kr.	1.	.2161	.2166
Sweden.. . . .	Kr.	1.	.2675	.2678
Denmark	Kr.	1.	.2612	.2627
Austria	Schilling	1.	.14125	.1412
Japan	Yen	1.	.4675	.4700
Siam	Tical	1.	.3709	.4550
India	R.	1.	2s.	.3650
United States	\$	1.	\$1.00	.99875
Mexico.. . . .	\$	1.	.498	.4850
Argentina	Pes.	1.	.424	.4018
Brazil	Mil.	1.	.324	.1450
Roumania	Lei	1.	.193	.....
Jamaica	£	1.	4.86	4.8700
British Guiana	\$	1.	1.	4.8420
Barbados.. . . .	\$	1.	1.	
Trinidad	\$	1.	1.	
Dominica	\$	1.	1.	
St. Kitts	\$	1.	1.	
Grenada.. . . .	\$	1.	1.	
St. Vincent.. . . .	\$	1.	1.	
Tobago	\$	1.	1.	
Shanghai, China.. . . .	Tael	1.	.708	.7337
Batavia, Java	Guilder	1.	.402	.4037
Peru.. . . .	Pound	1.	4.86½	3.7200
Singapore, Straits Settlements .. \$		1.	.507	.5725

1.00375—1.0075 1.01625—1.01875

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBER DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

499. Peruvian importer desires to study offers from manufacturers of food products.

500. CONDENSED MILK.—Peruvian importer wishes to study quotations on condensed milk.

501. BUTTER.—Peruvian importer desires to receive samples and quotations on butter in hermetically sealed tins.

502. CANNED FISH.—Peruvian importer wishes to examine quotations on salmon, sardines, and other food products.

Miscellaneous

503. DRUGS AND CHEMICALS.—Peruvian importer desires to examine quotations on drugs and chemical products.

504. CHEMICAL PRODUCTS; NEWSPRINT.—A French concern would like to become the agent of an important Canadian firm exporting chemicals and newsprint.

505. PAPER.—Peruvian importer wishes to receive samples and prices of paper.

506. TISSUE PAPER.—A Glasgow representative of a Norwegian mill manufacturing tissue paper would prefer to represent a Canadian manufacturer. He would like to see samples of Canadian tissue.

507. A firm in Rio de Janeiro desire to import stationery articles.

508. MACHINERY.—Peruvian importer wishes to study catalogues and quotations on machinery of all kinds.

509. AGRICULTURAL MACHINERY.—Peruvian importer wishes to receive catalogues and quotations on agricultural machinery, garden tools, and ploughs.

510. INTERNAL COMBUSTION ENGINES.—Peruvian importer desires to examine catalogues and quotations on internal combustion engines.

511. PUMPS.—Peruvian importer desires to examine quotations and catalogues on pumps.

512. LAUNCHES.—Peruvian importer desires to be furnished with catalogues and quotations on crude oil-burning launches.

513. TUBE FITTINGS.—Peruvian importer wishes to examine quotations on tube fittings, plain and galvanized.

514. WHEELBARROWS.—Peruvian importer desires to obtain catalogues and quotations on wheelbarrows.

515. HARDWARE.—Chilean importer desires to examine catalogues and quotations on hardware and other iron and steel products.

516. HARDWARE.—Peruvian importer desires to receive catalogues and quotations on hardware, including shovels and corrugated iron sheets.

517. HARDWARE.—Peruvian importer wishes to receive catalogues and quotations on general hardware.

518. CEMENT.—Peruvian importer wishes to examine quotations on cement.

519. UPHOLSTERY MATERIAL FOR MOTOR CARS.—A Dublin firm desire quotations.

520. AUTOMOBILE SPRINGS.—A manufacturers' representative in Mexico City desires to secure agency for boltless automobile springs.

521. LUMBER.—Peruvian manufacturers' representative knowing lumber market is willing to investigate possibilities for Canadian lumber upon receipt of quotations.

522. LUMBER.—Chilean imported desires to study quotations on lumber.

523. BOXBOARD.—A Glasgow paper merchant and agent is anxious to secure the representation of Canadian-made boxboard.

524. BOX SHOOKS.—Peruvian importer desires to examine quotations on box shooks.

525. WOOD-PULP.—Peruvian firm of manufacturers' representatives are interested in wood-pulp.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To LONDON, PLYMOUTH AND CHERBOURG.—Ausonia, June 5; Alaunia, June 12; Antonia, June 19—all Cunard Line.

To LONDON.—Brecon, May 29; Bolingbroke, June 5—both Canadian Pacific; Canadian Rancher, May 28; Canadian Aviator, June 7; Canadian Hunter, June 17—all C.G.M.M.

To LIVERPOOL.—Gracia, May 27; Aurania, June 4—both Cunard Line; Doric, May 29; Canada, June 5; Regina, June 11; Megantic, June 19—all White Star-Dominion; Montrose, May 28; Montcalm, June 4; Montclare, June 11—all Canadian Pacific.

To AVONMOUTH.—Huronian, May 29; Colonial, June 5; Oxonian, June 19—all White Star-Dominion; Concordia, Anchor-Donaldson Line, June 12.

To GLASGOW.—Salacia, May 21; Letitia, May 28; Carmia, June 4—all Anchor-Donaldson.

To BELFAST AND DUBLIN.—Lord Downshire, Head Line, June 6.

To SOUTHAMPTON.—Minnedosa, Canadian Pacific, June 2.

To MANCHESTER.—Manchester Corporation, May 27; Manchester Brigade, June 3; Manchester Producer, June 10; Manchester Hero, June 17—all Manchester Liners.

To CARDIFF AND SWANSEA.—Canadian Victor, June 4; Canadian Leader, June 18—both C.G.M.M.

To ANTWERP.—Minnedosa, Canadian Pacific, June 2; Canadian Rancher, May 28; Canadian Aviator, June 7; Canadian Hunter, June 17—all C.G.M.M.

- To ROTTERDAM.—Laval County, Intercontinental Transports Ltd., May 27.
 To HAMBURG.—Birk, Intercontinental Transports Ltd., May 26.
 To COPENHAGEN AND BALTIC PORTS.—Ivar, Scandinavian-American Line, June 6.
 To AUSTRALIAN PORTS.—Canadian Traveller, C.G.M.M., June 7; Stroma, New Zealand SS., May 25.
 To NEW ZEALAND PORTS.—Canadian Challenger, C.G.M.M., May 25; Wirral, New Zealand SS., May 25.
 To SOUTH AMERICAN PORTS.—Bore, Houston Line, May 26.
 To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Squatter, June 2 (calls at Guadeloupe); Canadian Carrier, June 12; Canadian Runner, June 23—all C.G.M.M.
 To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Forester, C.G.M.M., June 9.
 To ST. JOHN'S, Nfld.—Emperor of Havana, Robert Reford Co., May 25.
 To ST. JOHN'S, Nfld. (via CHARLOTTETOWN).—Canadian Sapper, C.G.M.M., June 3, June 19.

From Quebec

- To GLASGOW.—Montnairn, Canadian Pacific, June 3.
 To SOUTHAMPTON.—Empress of Scotland, Canadian Pacific, May 26.
 To HAMBURG.—Empress of Scotland, Canadian Pacific, May 26.

From Halifax

- To LIVERPOOL.—Newfoundland, May 26; Nova Scotia, June 12—both Furness, Withy.
 To ST. JOHN'S, Nfld.—Newfoundland, May 26; Nova Scotia, June 12—both Furness, Withy.
 To BERMUDA, ST. KITTS, ANTIGUA, MONTSERRAT, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Chaudiere, June 4; Chaleur, June 18—both R.M.S.P. Co.
 To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, June 16.

From Vancouver

- To YOKOHAMA AND KOBE.—Asuka Maru, Nippon Yusen Kaisha, June 12.
 To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Asia, May 27; Empress of Russia, June 24—both Canadian Pacific.
 To YOKOHAMA, KOBE, SHANGHAI, HONG KONG AND MANILA.—Empress of Canada, Canadian Pacific, June 10.
 To YOKOHAMA, KOBE AND HONG KONG.—Tyndareus, Blue Funnel Line, June 24.
 To YOKOHAMA, KOBE, MIKE AND HONG KONG.—Philoctetes, Blue Funnel, June 3.
 To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Arizona Maru, Osaka Shosen Kaisha, June 3.
 To YOKOHAMA, KOBE, DAIREN, TAKU AND SHANGHAI.—Arabia Maru, Osaka Shosen Kaisha, June 14.
 To YOKOHAMA, KOBE, HAKATA, DAIREN, TSINGTAU AND SHANGHAI.—Paris Maru, Osaka Shosen Kaisha, May 25.
 To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Niagara, Canadian-Australasian Line, June 2.
 To WEST COAST UNITED KINGDOM PORTS.—Canadian Highlander, C.G.M.M., May 31.
 To LIVERPOOL.—Loch Gail, North Pacific Coast Line, end May.
 To LONDON AND ANTWERP.—Loch Gail, North Pacific Coast Line, end May; Canadian Importer, C.G.M.M., June 19.
 To MANCHESTER.—Pacific Shipper, Furness Pacific Line, June 11.
 To ROTTERDAM.—Loch Gail, North Pacific Coast Line, end May.
 To BARCELONA, MARSEILLES, GENOA, NAPLES AND TRIESTE.—Duchess d'Aosta, May 25; Fella, June 24—both Navigazione Libera Triestina.
 To BORDEAUX, HAVRE AND ANTWERP.—Sonora, Cie. Gle. Transatlantique (French Line), June 2.
 To TRINIDAD.—A steamer, Pacific-Caribbean Gulf Line, late May.
 To CUBA.—Finn, Cuban Service (Sven SS. Co.), late May.
 To AUSTRALIAN AND NEW ZEALAND PORTS.—West Calera, Pacific Australia Line, June 15.

LISTS OF ACTS ADMINISTERED AND PUBLICATIONS ISSUED BY THE DEPARTMENT OF TRADE AND COMMERCE

Applications for these Acts of Parliament and other publications in this list, together with remittances for the same, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution".

Copper Bars and Rods Bounty Act. Copyright Act.
Electricity and Fluid Exportation Act. Electricity Inspection Act.
Electric Units Act. Gas Inspection Act. Gold and Silver Marking Act.
Grain Act. Hemp Bounty Act. Inland Water Freight Rates Act.
Patent Act. Statistics Act. Trade Mark and Design Act.
Timber Marking Act. Inspection of Water-Meters Act.
Weights and Measures Inspection Act.

MISCELLANEOUS

Annual Report of the Department of Trade and Commerce. (Price 10 cents.)
Annual Report of the Board of Grain Commissioners for Canada. (Price 25 cents.)
Annual Report of Weights and Measures, Electricity and Gas. (Price 10 cents.)
Canada-British West Indies-Bermuda-British Guiana-British Honduras Trade Agreement (1925). (Price 10 cents.)
Canada West Indies Conference (1920). (Price 25 cents.)
Canada-West Indies Conference Report, (1925). (Price \$1.)
Dominion Grain Research Laboratory (1920). (Price 10 cents.)
Electrical Standards and their application to Trade and Commerce.
Final Report of the Fuel Controller (1920).
Grain Inspection in Canada (1914). (Price 25 cents.)
Imperial Fruit Show (1923).
List of Licensed Elevators, etc. (Price 50 cents.)
Motion Pictures, Catalogue of. (Price 10 cents.)
Pan-Pacific Commercial Conference (1923). (Price 25 cents.)

PUBLICATIONS OF THE COMMERCIAL INTELLIGENCE SERVICE

NOTE.—Publications of the Commercial Intelligence Service are free to subscribers to the Commercial Intelligence Journal.

Commercial Intelligence Journal Weekly (In English and French), containing Reports of Trade Commissioners and other Commercial Information. Annual Subscription: In Canada, \$1; single copies, 5 cents. Outside Canada \$3.50; single copies, 10 cents.
Chinese Markets for Canadian Products (1919). (Price 25 cents.)
German War and its Relation to Canadian Trade (1914). (Price 25 cents.)
Indian Empire as a Market for Canadian Products (1922). (Price 25 cents.)
Markets of British Malaya (1923). (Price 25 cents.)
Markets of Jamaica and the Republic of Colombia, Venezuela and Panama (1922). (Price 25 cents.)
Packing for Overseas Markets (1922). (Price 25 cents.)
Preferential Tariffs of British West Indies (1922). (Price 25 cents.)
Report of Special Trade Commission to Great Britain, France and Italy. (French and English) 1916). (Price 25 cents.)
Representation in British and Foreign Markets (1923). (Price 25 cents.)
Republic of Chile: Its Economic Condition and Trading Opportunities (1923). (Price 25 cents.)
Republic of Peru: Its Development and Commercial Opportunities (1923). (Price 25 cents.)
Russian Trade (1916). (Price 25 cents.)
Trade after the War (1916). (Price 25 cents.)
Timber Import Trade of Australia (1917). (Price 25 cents.)
Trade between Canada and the British West India Colonies (1920). (Price 25 cents.)
Trade of the New Countries of Southeast Europe (1921). (Price 25 cents.)
Trading Opportunities in Scandinavia (1922). (Price 25 cents.)
Trading with Egypt (1921). (Price 25 cents.)
Trading with Greece (1921). (Price 25 cents.)
Trade with South China (1918). (Price 25 cents.)
Trading with Spain (1920). (Price 25 cents.)
Toy Making in Canada (1916). (Price 25 cents.)
West Africa and its Opportunities for Canadian Trade (1921). (Price 25 cents.)

PUBLICATIONS OF THE DOMINION BUREAU OF STATISTICS

The following is an abbreviated list of publications of the Bureau of Statistics.

Census of Canada.
Census of Prairie Provinces (1916).
Miscellaneous Statistics respecting the following: Criminal; Education; Finance (Provincial and Municipal); Transportation, including railways and tramways, express, telegraphs, telephones water, etc.; Production, including agriculture, furs, fisheries, forestry, mining and manufactures: Vital (annual and monthly).
Monthly Bulletin of Agricultural Statistics
Year Book of Canada.
Report of the Dominion Statistician, Annual.
Trade of Canada (Imports and Exports), Annual and Monthly.
Trade (Internal), including grain, live stock, coal prices, etc.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

James Cormack. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

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Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

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J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

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R. S. O'Meara, P.O. Box 84, Batavia, Java. (Territory covers Straits Settlements, Federated Malay States, Indo-China, and Siam.) *Cable Address, Canadian.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

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United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at bank in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, May 29, 1926

No. 1165

TABLE OF CONTENTS

	Page		Page
Trade Commissioner E. L. McColl's Itinerary in Canada	673	Assistance that can be rendered by Canadian Trade Commissioners	695
Export Session at the Convention of the Canadian Manufacturers' Association . .	674	Tariff Changes and Customs Regulations: Change in United States Countervailing Duties on Canadian Automobiles and Motor Cycles	697
Compilation of List of Translators	674	Cuban Customs Regulations when Ad Valorem Duties involved	697
Proposed Pulp and Paper Industry of Australia	674	Bills of Exchange covering Shipments to Cuba	698
Spool Wood in the Australian Market . .	675	Tariff Information for Chambers of Commerce, etc.	698
North of England Commodity Markets . .	676	Foreign Trade of Cyprus in 1925	698
Canadian Newsprint Supplies in South Africa	678	Vancouver-British West Indies Steamship Service	699
Imports of Lard and Lard Compounds into British West India Colonies, for Calendar Year 1924	679	Tenders Invited—New Zealand	699
Newsprint Production in Canada and the United States	679	Trade Inquiries for Canadian Products . .	699
Peru as a Market for Canadian Products—VI: Iron and Steel and Miscellaneous; Peculiarities and Difficulties of the Market; Trade of Canada with Peru . .	680	Foreign Exchange Quotations for Week ending May 25, 1926	701
Imports and Exports of Sweden in 1925 .	685	Proposed Sailings from Canadian Ports . .	701
Economic and Financial Conditions in Brazil	686	List of Acts Administered and Publications issued	703
Economic Conditions in France	687	Commercial Intelligence Service	704
Tea Trade of Ceylon in 1925	688		
Opportunity for Canadian Trade in Venezuela	689		
Dutch Crop Conditions	694		

TRADE COMMISSIONER E. L. MCCOLL'S ITINERARY IN CANADA

Mr. E. L. McColl, Canadian Trade Commissioner to the Argentine Republic, has recently returned to Canada after an absence of five years in South America, and is about to visit the manufacturing centres of the Dominion for the purpose of investigating business conditions and opportunities as far as these affect the market for Canadian products in South American countries. Before taking up his duties as Trade Commissioner in Buenos Aires, Mr. McColl for three years held a similar post in Rio de Janeiro, and is familiar with conditions not only in Brazil and the Argentine Republic, but with those in other countries of the South American continent. On his way to Canada Mr. McColl paid a brief visit to Chile, and made a more extended visit to Peru in the interests of Canadian trade the fruits of which are apparent in the series of reports which he is contributing at the present time to the *Commercial Intelligence Journal*. Canadian manufacturers and exporters who are interested in any of the countries of South America as a field for export endeavour, and who desire to be brought in touch with Mr. McColl, or to interview him, are requested to communicate with the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa.

The following is the first part of his itinerary:—

Bathurst	June 14	Charlottetown	June 23
Moncton	June 15	Quebec	June 25 to June 26
Halifax	June 16 to June 18	Three Rivers	June 28
St. John	June 19 to June 21	Montreal	June 29 to July 8

The second part of Mr. McColl's itinerary will be announced later.

EXPORT SESSION AT THE CONVENTION OF THE CANADIAN MANUFACTURERS' ASSOCIATION

At the forthcoming Annual Convention of the Canadian Manufacturers' Association, to be held from June 8 to June 10 inclusive at Toronto, there is being planned a special session devoted to the discussion of export trade. Various features of Canadian export practice will be treated by authorities on Canada's industrial, transportation, banking, and economic life. There is also being planned a series of round table conferences at which expert trade advisers will be present to talk over with Canadian manufacturers and exporters problems connected with the furthering of the Dominion's foreign trade. The Export Session promises to be one of the outstanding features of the Canadian Manufacturers' Association Convention this present year.

COMPILATION OF LIST OF TRANSLATORS

The Department of Trade and Commerce is desirous of compiling an authentic list of business houses and individuals in the Dominion who can undertake translation from English into the languages of foreign countries, or *vice versa*, and whose services might be made available to Canadian exporters for occasional work of this character. References as to capabilities, terms and languages known should in each case be sent to the Director, Commercial Intelligence Service, Ottawa, and the list, when complete, will be kept on file at the Department of Trade and Commerce, Ottawa, for the information of Canadian firms interested.

PROPOSED PULP AND PAPER INDUSTRY IN AUSTRALIA

C. HARTLETT, OFFICE OF THE TRADE COMMISSIONER

Melbourne, April 21, 1926.—A bill is now before a special committee of the Tasmanian Parliament under which payment of interest is to be guaranteed on part of the debenture capital of a company which it is proposed to form for the purpose of establishing the manufacture of pulp and paper in that state.

Some time ago another company, the Amalgamated Zinc Company (de Bavay's) Limited, obtained an option on the purchase of lands in Tasmania for the manufacture of pulp and paper, but owing to the Commonwealth Government declining to grant a bounty of more than £4 per ton and a deferred duty of a similar amount the option lapsed and the company intimated in December, 1925, that it did not intend to proceed further with the project. Immediately upon the lapse of this option an endeavour was made by another group of promoters to interest English capital in the industry and the Tasmanian Government was approached with a view to taking up the lapsed option and receiving assistance in the form of a guarantee of payment of interest on £250,000, part of a total capital of £1,000,000. The Government has stated that it is prepared to give the guarantee, provided it is satisfied that the additional capital of the proposed company is found to be adequate, and has introduced a bill in Parliament to that effect.

The action of the Tasmanian Government in offering assistance to the proposed company does not meet with the approval of the commissioner recently appointed by the Commonwealth Government to investigate the effect of federation on the finances of that state. His comment on the situation, as reported in the press within the past day or two, is of interest:—

"It is easy to appreciate the anxiety of the Government to aid in the establishment of an industry which may prove of very great benefit to the state, but

the enterprise is one of a purely speculative character, and if the prospects are so good as is maintained by the promoters there should be no need for such a guarantee as that mentioned. Should the guarantee receive the sanction of Parliament, the name of the state obviously will be used for the purpose of enticing investors, on the ground that the enterprise has the approval and guarantee of the Government, and should it fail it is equally obvious that the good name of the state will seriously suffer. I mention this matter particularly, since so far as I have been able to ascertain, in no single instance has the state of Tasmania hitherto extended financial assistance to any speculative enterprises without involving itself in serious financial loss."

SPOOL WOOD IN THE AUSTRALIAN MARKET

C. HARTLETT, OFFICE OF THE TRADE COMMISSIONER

Melbourne, April 20, 1926.—While the demand for spool wood is not at present a very extensive one in Australia, the steady development of the woollen manufacturing industry will ultimately lead to a much larger one for all requirements in connection with that industry.

With one exception, the leading woollen mills approached with a view to ascertaining where their present supplies of spools and bobbins were being obtained, stated that they were received from Australian manufacturers using Australian timbers. The one exception is a large mill which makes its own requirements but also uses Australian timber in the woodworking department.

At present there are only four or five manufacturers of spools and bobbins in Australia, and the principal timber they use is known as "Sassafras," which is claimed to be very suitable for their purpose. It is described as fairly hard, free from knots or other blemishes, and to turn very freely. Myrtle and other timbers are also used, but in much smaller quantities.

"Sassafras" is extensively produced in the state of Tasmania, and one large spool manufacturer in Melbourne states that it can be landed on wharf at Melbourne at 37 shillings per 100 superficial feet, but at that price it is picked wood in sizes of 1 inch by 1½ inches and 2 inches square with nothing under 10 feet in length. The leading spool and bobbin factory in Australia, from which many woollen mills obtain their supplies, is located in a forest of "Sassafras" timber at Montrose, Tasmania.

Spool manufacturers who have been called upon state that the qualities of birch are well known to them, but it is solely a matter of the price at which it can be landed in Australia. Two firms have expressed a desire to receive samples and c.i.f. Melbourne prices. One firm uses two sizes of 1-inch by 1½-inch and 2 inches square respectively, and the other 1½-, 2- and 2½-inch squares. The latter firm is the only one which expressed any dissatisfaction with the quality of the Australian timber now being used.

As the prospects of marketing Canadian birch in this territory appear to depend entirely upon price in competition with Australian timbers, it is suggested that samples and prices be sent to this office for the purpose of submitting them to users. The sizes previously mentioned, in lengths of from 4 feet upwards, are suitable for this market. Users would prefer c.i.f. quotations as otherwise they have no means of definitely determining freight from Canada in making proper comparisons with the prices of Australian timbers. Quotations should be on the lowest profitable basis as timber bent or cut into shape is dutiable under the Australian tariff at 30 per cent ad valorem and must be taken into consideration by prospective purchasers.

NORTH OF ENGLAND COMMODITY MARKETS

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, May 7, 1926.—At time of writing the strike situation is having a most unfortunate effect on general trading in this district, although in certain lines, notably timber, importers and brokers have been attempting to negotiate business for forward delivery. In the foodstuffs section, importers are offering their goods without accepting responsibility for delivery. The following is the usual monthly review of trading in certain products of interest to Canadian exporters.

TIMBER

Hewn birch timber was in more active demand last month, and stocks of first-class wood were light. Average prices for Quebec birch foreign string measure of 14 feet average have been around 3s. 6d. per cube foot c.i.f. Liverpool and Manchester. Quebec birch lumber 1 to 4 inches thick of merchantable quality has been selling lately at £22 10s. per standard c.i.f. Nova Scotian birch lumber is also in demand, but recent heavy consignments have eased prices for this variety. Nova Scotian spruce has been chiefly sold in cargo lots at around £13 15s. c.i.f. to Liverpool buyers and is in fair demand. Scantling sizes of this wood have realized the usual £1 per standard less. Canadian spruce has been suffering severe competition from the Continent. Russia sold good quantities of softwood on this market earlier in the year and lately Danzig exporters have been offering extremely cheap shipments which have affected Canadian sales.

Douglas fir No. 2 clear and better 2 inches to 6 inches thick has been selling freely at £22 to £22 10s. per standard c.i.f. The same grades in squares 4 by 4 and 6 by 6 have been sold at £22 10s. Merchantable grade Douglas fir has lately realized from £15 10s. to £16 c.i.f. Stocks of this wood are increased. For the month ending April 30, 1926, unofficial statistics of certain timber imports consumption and stock are given in comparison with the corresponding period of 1924 and 1925 as follows:—

Liverpool

	Import		Consumption				Stock	
	1925	1926	1924	1925	1926	1924	1925	1926
Douglas fir cu. ft.	10,000	74,000	33,000	27,000	48,000	95,000	137,000	204,000
Birch logs. cu. ft.	42,000	8,000	21,000	25,000	10,000	24,000	84,000	28,000
Birch planks cu. ft.	60,000	35,000	39,000	44,000	59,000	68,000	169,000	121,000
Quebec yellow pine deals . . stds.	...	10	130	460	530	3,350	3,450	4,460
N.B. and N.S. spruce and pine..stds.	1,460	870	1,740	1,480	1,790	2,780	4,740	4,600

Manchester

Douglas fir.. . . . cu. ft.	7,000	4,000	3,000	15,000	6,000	27,000	49,000	54,000
Birch logs cu. ft.	9,000	...	5,000	2,000	1,000	4,000	9,000	6,000
Birch planks cu. ft.	28,000	4,000	19,000	28,000	9,000	74,000	92,000	112,000
Spruce deals stds.	1,930	420	1,680	1,430	1,170	6,340	6,090	1,970

Grain and Flour.—There has been a good steady demand for nearly all classes of imported wheat. Millers who have been operating on very light stocks for months past have bought more freely. Trading in Canadian wheat was active, one important Liverpool firm reporting that they enjoyed one of the best month's business that they have had in the last twelve months. At the close of the month No. 1 Northern Manitoba for May shipment was offering at 58s. 9d. per quarter c.i.f. and No. 2 at around 57s. 3d. A large trade was done in Australian wheat during April, consumers buying parcels and cargoes on passage as shipments from this source have fallen away on account of heavy shipments from a light crop earlier in the season. Argentine arrivals were moderate and a fair business was done in Barusso wheat, which closed the month at 53s. per

quarter. Supplies of home-produced wheat are becoming quite limited, and it looks now as though the import requirements for the balance of the grain season will be above the weekly average. Stocks in the port of Liverpool at the end of March were heavy, but have been steadily reduced since. Supplies held in Manchester public warehouses are now negligible.

Business in Canadian flour has distinctly improved in comparison with the past six months. Home millers have been trying to secure better prices, but Canadian flour of the same grade has been valued higher than the domestic article. Some Australian flour was sold recently at 41s. 9d. c.i.f. Manchester on passage. Recent sales of Canadian export patents were reported at 44s. 6d. c.i.f. Liverpool and home-milled straight run flour was around 45s. 6d. ex mill toward the end of the month. The preliminary figures showing the imports of grain and flour to this area for the month of April, 1926, are as follows:—

	Wheat Quarters	Flour Sacks	Maize Quarters	Barley Quarters	Oats Quarters
Liverpool	270,020	27,831	51,500	8,558	23,724
Hull	345,427	2,240	2,857	28,219	9,933
Manchester	202,408	10,010	7,020	4,771	997
Newcastle	47,980	1,568	700	...	3,570

BUTTER

April was a slow month in the butter markets, particularly for Australian and New Zealand varieties, in view of the unusually low prices being asked for Danish butter resulting from lack of demand from Germany, and the continued importation of other Baltic cask butters. A few Irish new season's supplies have arrived and some new Canadian butter has been offered at 162s. 6d. to 164s. c.i.f., and it is reported that a small quantity has been sold. Average on spot prices at the end of April were as follows: New Zealand, 172s. to 173s. per cwt.; Australian, 170s. to 172s.; Danish, 178s.; and Argentine, 160s. to 164s.

CHEESE

The imported cheese trade last month was disappointing, due to a cheap home-produced Cheshire cheese. New season's Canadian fodder cheese have been offered lately and a few were sold at from 84s. to 86s. per cwt. c.i.f., mostly coloured varieties. Supplies of New Zealand have been ample for the demand, and buyers are counting on the new Canadian makes now commencing, and a record unshipped stock of cheese in grading stores in New Zealand, to keep prices down. At the close of the month Canadian new season's coloured was around 92s. on spot. Old season's late makes were quoted at 96s. for coloured and matured cheeses were nominal. Old season's white were averaging 3s. under coloured. New Zealand closed the month at around 92s. for white and 96s. coloured. A small amount of Australian cheese was sold at from 1s. to 2s. under New Zealand.

BACON

There was a better market for nearly all descriptions of bacon last month. Smaller killings in Denmark resulted in reduced imports, but considerable quantities of Russian, Latvian, and other Baltic bacon arrived on this market and were sold at low figures, which kept down the price of American bacon. Canadian Wiltshires were in good demand. Average prices at the end of April were as follows:—

Canadian Wiltshire cuts, 50-80 pounds average, 112s. to 118s. per cwt.; American Wiltshire, 50-65 pounds, 104s. to 107s.; American Cumberlands, 24-32 pounds, 108s. to 112s.; Irish, 130s. to 142s.; and Danish, 132s. to 135s. During April 2,189 boxes and 3,431 bales of Canadian bacon were landed at Liverpool as compared with 5,455 boxes and 3,280 bales in April, 1925.

The following are unofficial estimates of the stocks of provisions in the port of Liverpool on April 30, 1926, in comparison with March 31, 1926, and April 30, 1925:—

	April 30, 1926	March 31, 1926	April 30, 1925
Bacon	Boxes 8,626	13,578	20,501
Hams	Boxes 2,954	4,293	12,901
Shoulders	Boxes 1,431	1,328	4,292
Butter (all countries)	Cwts. 3,629	5,519	7,126
Cheese (full shapes), Canadian and United States	Boxes 8,539	12,750	2,649
Cheese (full shapes), Australian and New Zealand	Crates 556	3,598	3,288
Cheese (50 pounds and under)	Boxes 16	20	9
Cheese (manufactured)	Pounds 16,376	8,030	....
Lard (prime steam western)	Tierces 734	692	1,669
Lard (imported pure refined lard in tierces, firkins, or other packages)	Tons 2,295	810	1,384

EGGS

During the early part of April prices were generally easier and the demand has not been very active. Continental eggs chiefly from Poland have been arriving in large quantities and retailed at from 1s. to 1s. 3d. per dozen. Buyers interested in eggs for storage purposes have lately restricted purchases and this has affected prices. Irish eggs at the close of April were offered at 11s. 6d. to 12s. 9d. Pickling eggs from Denmark for October to December shipment have been offered at around 13s. 6d. per 120 f.o.b. Denmark for 15½ pounds for 120.

HAY

Over 15,102 bales of Canadian hay arrived at Liverpool during April. Demand has been disappointing. Sales averaged from 90s. to 92s. 6d. Easier prices are now looked for. A negligible quantity of Norwegian hay was also imported.

CATTLE

During April 1,375 store and 254 fat cattle arrived at Birkenhead from Canada. Recent average prices have been as follows: Native steers, 10d. to 10½d. per pound, sinking the offal; Western steers, 10d. to 10½d. Some 976 stores and 500 fat Canadian cattle arrived at Manchester during the month. The stores almost without exception were taken over by butchers for immediate slaughter. Average live weight prices have been from 48s. to 52s. 6d. per cwt.

CANADIAN NEWSPRINT SUPPLIES IN SOUTH AFRICA

TRADE COMMISSIONER G. R. STEVENS

Cape Town, April 22, 1926.—While there is no complaint upon the quality of Canadian newsprint in use in South Africa, there are certain points—small in themselves but irritating to the users—on which criticism is expressed, one being on the score of brittleness in contrast with certain Scandinavian supplies. But the principal criticism is on the failure of Canadian shippers to supply solid cores for their reels. The hollow core which Canadian mills use is undoubtedly satisfactory for short hauls and for paper that is to go early into use; but when reels of paper are piled several high in ships' holds, and are afterwards stored for some months under similar pressure, the hollow cores collapse; and consequently when a reel is put upon the machine it wobbles, causing uneven tension and consequent breakages. On the other hand, Scandinavian cores are solid; and it need not be stated that the preference with the printers is for reels that will run evenly. There are certain other disadvantages in Canadian methods of packing. A small steel rod runs through the Scandinavian solid core, and the reel is shipped with protective wooden headings upon top and bottom, which are easily detachable by removal of a nut; the reels are stamped with the number of yards in each; and breaks in the reels are marked with a blue flag, which allows the press control to slacken speed as the break is approached.

IMPORTS OF LARD AND LARD COMPOUNDS INTO BRITISH WEST INDIA COLONIES

(Year ended December 31, 1924)

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Colony	Total Imports		Imports from—					
			United Kingdom		United States		Canada	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
	Lb.	\$	Lb.	\$	Lb.	\$	Lb.	\$
Bermuda.....	304,465	35,750	135,205	12,303	125,860	17,174	40,400	5,299
British Guiana.....	337,576	49,513	136,426	19,275	22,572	4,122	159,912	23,119
British Honduras.....	306,650	43,209			264,296	38,213	42,226	4,972
Bahamas.....	684,826	92,296			612,855	82,534	71,971	9,772
Barbados.....	180,268	54,828	48,214	14,663	89,231	27,141	40,579	12,342
Grenada.....	95,433	14,775	17,096	2,667	9,811	1,728	68,526	10,380
Jamaica.....	474,263	84,120	90,611	16,537	183,286	31,015	200,361	36,568
Leeward Islands—								
Antigua.....	68,701	11,115	49,855	7,489	17,161	3,334	1,685	292
Dominica.....	32,373	6,871	9,495	1,728	22,153	4,964	725	180
Montserrat.....	6,191	1,066	1,950	326			1,297	209
Montserrat.....	12,733	2,141	7,123	1,153	4,546	827	1,064	161
St. Kitts-Nevis.....	16,230	2,545			6,187	1,212		
Virgin Islands.....	27,198	4,706	8,740	1,387	13,035	2,375		5,423
St. Lucia.....	23,795	3,752	11,717	1,869	371	73	11,637	1,810
St. Vincent.....	2,936,585	374,451	1,581,798	196,302	51,801	10,093	1,298,613	167,422
Trinidad and Tobago.....								
Total Imports.....	5,507,217	781,138	2,098,230	275,699	1,423,165	224,795	1,944,419	273,470
Per cent.....	100-0	100-0	38-1	35-3	25-8	28-7	35-3	35-0

NEWSPRINT PRODUCTION IN CANADA AND THE UNITED STATES

Mr. Frederic Hudd, Canadian Trade Commissioner in New York, writes under date May 17, 1926, that newsprint production in the United States and Canada during the first three months of 1926 was 15 per cent more than in the first three months of 1925, and 20 per cent more than for the same period in 1924, according to a report of the Newsprint Service Bureau. The report says:—

Imports of newsprint into the United States for first two months of 1926 were 16 per cent more than for first two months of 1925 and 23 per cent more than in the same period of 1924.

Exports of newsprint from the United States amounted to 3,904 tons for the first two months of 1926, 3,447 tons for the first two months of 1925, and 3,089 tons for the same period of 1924.

Exports of newsprint from Canada for first two months of 1926 were 22 per cent more than the first two months of 1925 and 32 per cent more than same period in 1924.

Mill stocks of newsprint at United States and Canadian points amounted to 2.9 days' average production on March 31, 1926; 5.5 days' on March 31, 1925; and 5.3 days' on March 31, 1924.

Publishers' stocks on hand and in transit amounted to thirty-one days' supply on February 28, 1926; forty-one days on February 28, 1925; and forty-eight days' on February 28, 1924.

Newspaper advertising in twenty-nine leading cities for first three months of 1926 was 7 per cent more than for first three months of 1925, 7 per cent more than for same period of 1924, and 10 per cent more than in the corresponding period of 1920.

Periodical advertising in national publications for first four months of 1926 was 9 per cent more than for first four months of 1925, 10 per cent more than for these four months in 1924, but 9 per cent less than in same period of 1920.

PERU AS A MARKET FOR CANADIAN PRODUCTS

TRADE COMMISSIONER E. L. MCCOLL

[Subjoined is the sixth of a series of reports on Peru, which has been prepared by Mr. McColl after a recent visit to that country, in which he investigated the openings for Canadian trade. Those on Wheat and Flour and other Foodstuffs were published in Nos. 1160 and 1161; on Tools and Hardware, Machinery, and Vehicles in No. 1163; on Lumber and Paper in No. 1164; and that on the Tariff, Documentation, etc., in No. 1162. The Peruvian pound has been calculated at \$4 Canadian currency, a fair average value covering the last three years. Weights are given in the metric ton of 2,204.6 pounds.]

Iron and Steel Products

Iron and Steel products partially manufactured have not been showing any marked increase during the last three years. Imports for 1923 were valued at \$1,346,000, and for the January-to-September period of 1925, \$1,200,000. Approximately 90 per cent is credited to the United States and Great Britain, with the United States slightly leading. Imports of manufactured articles of iron and steel have, however, shown a considerable increase over the same period, the value for 1923 being \$3,850,000 as compared with \$4,482,000 for the January-to-September period of 1925. In 1924 the United States led with 47 per cent of the total, Great Britain was second with 21 per cent, while Germany, Belgium and Holland followed in the order named. The chief individual purchasers, other than importing merchants, were the railway, tramway and mining companies, the Government, and a large American construction company. The general market has passed through a very dull period and accumulated stocks were only recently being disposed of.

Tool Steel.—Imports under this heading have shown a decline, 272 tons having been imported for the first nine months of 1925 against 408 tons for 1924. Countries of origin in order of importance were Sweden, Great Britain, the United States, and Germany. As large assortments require to be stocked, hardware merchants were not inclined to take risks, and buyers are very conservative. Semi-manufactured iron and steel in bars and sheets are obtained principally from Belgium and the United States, each supplying 40 per cent of the market. Approximately 5,000 tons were imported during the first nine months of 1925.

Galvanized Iron Sheets.—There is an average annual importation of approximately 3,500 tons of this material, the major portion of which is supplied by the United States and Great Britain. Some inquiries were received from hardware merchants concerning the possibility of Canadian manufacturers supplying this material, which is used for temporary construction by mining and railway companies and on agricultural estates. Corrugated iron is an important article in the construction of semi-permanent buildings in most of the towns along the coast, where the demand is on the increase.

Iron Ingots.—About 1,000 tons of iron ingots are imported yearly, principally from Great Britain and the United States.

Tinplate.—The importation of tinplate increased from 2,326 tons in 1923 to 3,047 tons for the first nine months of 1925, the United States supplying 90 per cent.

Steel Wire.—From 500 to 1,000 tons of this material are imported annually, principally from Great Britain, followed by the United States and Belgium.

Wire Cable.—Imports of wire cable used principally by mining companies and for ships' supplies average about 700 tons a year. Great Britain supplies two-thirds of the requirements and the United States one-third.

Wire Netting is an important item amounting to 1,983 tons for 1924, the United States furnishing 60 per cent.

Hollow Kitchenware.—Imports in 1924, 1,260 tons; 60 per cent from Germany. An important Lima merchant who specializes in this commodity expressed a willingness to examine and report upon any catalogues and quotations which might be sent to him by Canadian manufacturers.

Tubular Products.—Owing to the increased activities in municipal water supply, the imports of cast-iron water piping have more than doubled during the last year, amounting to approximately 7,000 tons for the first three quarters of 1925, Belgium supplying 66 per cent. Belgium is offering keen competition in many lines of iron and steel, and is obtaining business not only on account of low quotations but also from the ability of her manufacturers, through the assistance of Belgian bankers, to extend long credits.

Welded Tubing, Plain and Galvanized.—During 1924, 18,865 tons of this class were imported while for the January-to-September period of 1925, the tonnage was 11,082. The United States supplies about 80 per cent. Canadian tubing is well thought of, and is stocked by two or three merchants who prefer it to any other.

Nails.—About 1,800 tons per annum of nails of all kinds are imported into Peru, 50 per cent from the United States, while the major portion of the remainder is supplied by Germany and Great Britain. Several merchants expressed a desire to hear from Canadian manufacturers of this product.

Tableware.—The market for tableware, including knives, forks, and spoons, is almost completely controlled by Germany.

Structural Steel.—Owing to the increased construction of modern office buildings, factories and warehouses, Peruvian builders are using more steel. Apartment houses so far do not hold an important place, but two or three have been constructed in Lima, and these will probably be followed by others. The importation of columns and beams with their accessories amounted in 1924 to 2,720 tons, 60 per cent from the United States and the remainder from Great Britain, Germany and Belgium.

Steel Rails.—Some 12,985 tons of steel rails, including tie plates, switches and accessories were imported during the first three quarters of 1925. Belgium is the chief source of supply.

Miscellaneous Products

Cement.—Several importers of building material expressed an interest in Canadian cement. During 1924, 66,111 tons of this commodity were imported (Germany 45, Great Britain 18, and the United States 15 per cent). Two-thirds of the cement enters by the port of Callao, the remainder being distributed between six other ports. Imports for 1925 (January to September) amounted to 46,000 tons. For some years a Peruvian cement company has been manufacturing for local requirements, but owing to lack of capital it did not prosper. An American construction company, operating a branch in Peru, has been obtaining large contracts to build roadways, schools, and other municipal and government works. This organization has taken over the Peruvian cement company and has made it a prosperous industry which is going to offer from now on severe competition to foreign cement imported by way of Callao. It is not expected, however, that this national industry can extend its sphere of influence to other ports of Peru for some time to come owing to the fact that shipping charges are heavy and the company is unable economically to obtain a good metal container. It is quite possible therefore that there exists in Peru a market for a considerable quantity of Canadian cement.

Refractory Bricks.—About 2,000 tons of this commodity are imported annually, the United States and Great Britain sharing the market equally between them.

Refractory Magnesite.—In 1923, five tons of this commodity were imported from the United States and Great Britain, apparently as trial shipments. For the first three quarters of 1925, 540 tons were imported, but the source of origin has changed, 95 per cent during this period being credited to Germany.

Refractory Earth.—There is an annual importation of about 250 tons of refractory earth from Great Britain and the United States.

Talc.—France and Italy supply almost all the requirements of industrial talc which amounts to about 25 tons per annum. Refined and perfumed talc is supplied principally by the United States.

Paints in Oil.—The imports of paints in oil put up in small tins amounted to 68 tons during 1925, all coming from the United States and Great Britain, with 50 per cent each. The same kind of paint put up in large receptacles (1,120 tons) was received principally from Great Britain (60 per cent) and the United States (22 per cent). Imports of ordinary water paints have decreased from 260 tons in 1923 to 52 tons for the first three quarters of 1925.

Inner Bicycle and Automobile Tubes.—Some 50 tons of these articles are imported annually, chiefly from the United States.

Cotton, Partially Prepared or Manufactured; Cotton Thread; Cotton Piece Goods, and Cotton Manufactures.—The total value of cotton, partially prepared or manufactured, cotton thread, cotton piece goods and cotton manufactures, amounted to \$8,693,000 for 1924, Great Britain supplying 45, the United States 22, and Italy 13 per cent. Piece goods valued at \$7,000,000 predominated, Great Britain supplying 46 per cent. Manufactured cotton goods valued at \$680,000 were imported during the same period from Spain, the United States, Japan and Germany.

Woollens.—Amongst woollens, piece goods were also predominant, the value imported during 1924 amounting to \$2,023,000, with Great Britain supplying 61 per cent, followed by Germany, France and Italy.

Silks.—Japan sends the major portion of the silk textile imports with an average annual value of \$85,000, France, Germany, United States and Great Britain following in the order named. Made-up silk goods imports have declined, with France controlling about a third of the market.

Furniture.—Furniture imports are on the increase, having grown from \$375,000 in 1923 to \$569,000 in 1924, and to \$593,000 in the first nine months of 1925. The United States furnishes about 33 per cent of the total.

Musical Instruments.—The average annual importation of musical instruments is valued at \$500,000 (United States 50 per cent, Germany 40 per cent). Upright pianos imported during 1924 were valued at \$25,000 (Germany 75 per cent, United States 20 per cent); grand pianos at \$14,000 (Germany 70 per cent); player pianos at \$170,000 (United States 50 per cent, Germany 45 per cent). There are two or three first-class dealers in Peru, one of which operates a factory in connection with his business. The latter stated to the writer that he would be pleased to hear from Canadian manufacturers, but if any of them wished to introduce an instrument a demonstrating sample should be sent on consignment to be paid for when sold.

Arms, Ammunition, and Explosives imported during 1924 were valued at \$809,000, and in the January-to-September period of 1925 at \$650,000 (United States about 55 per cent.)

CANADIAN EXPORTS TO PERU

EXPORTS OF CANADA TO PERU FOR THE FISCAL YEARS ENDING MARCH 31, 1926
AND 1925*(Compiled by External Trade Branch, Dominion Bureau of Statistics)*

Articles		Amount	Value	Amount	Value
		1926	1926	1925	1925
Wheat	Bushels	297,692	\$ 456,308	363,016	\$ 455,509
Milk, condensed . . . . .	..Cwt.	17,355	232,758	6,904	87,732
Automobiles and parts . . . . .		....	97,393	....	116,524
Lard	Cwt.	5,178	95,848	4,030	64,550
Rubber tires . . . . .		....	46,121	....	15,096
Structural steel	Tons	420	39,425	....	....
Salmon, canned	Cwt.	2,304	21,782	2,876	27,172
Cement	Cwt.	53,964	17,069	31,713	13,633
Calcium carbide	Cwt.	3,214	12,231	149	566
Other machinery . . . . .		....	11,931	....	6,558
Roofing paper . . . . .		....	11,158	....	....
Wood, unmanufactured (including lumber) . . . . .		....	9,509	....	19,125
Pipe and tubing, iron . . . . .		....	8,109	....	7,091
Wall paper	Rolls	64,416	6,559	77,988	7,302
Wool and manufactures of . . . . .		....	6,053	....	6,929
Flour of wheat	Barrels	670	5,375	1,487	8,802
Cotton and manufactures of . . . . .		....	4,184	....	2,944
Books and printed matter . . . . .		....	3,249	....	3,421
Wood, manufactured . . . . .		....	2,230	....	2,637
Whiskey	Gallons	424	2,263	70	241
Farm implements and machinery . . . . .		....	1,369	....	572
Aluminum and manufactures of . . . . .		....	1,028	....	....
All other articles . . . . .		....	134,403	....	82,392
Total exports . . . . .		....	\$1,226,355	....	\$ 928,796

IMPORTS INTO CANADA FROM PERU FOR THE FISCAL YEARS ENDING MARCH 31,
1926 AND 1925

Articles		Amount	Value	Amount	Value
		1926	1926	1925	1925
Sugar, not above No. 16 . . . . .	..Pounds	6,529,325	\$ 141,017	25,386,006	\$ 999,180
Petroleum, crude for refining . . . . .	..Gallons	71,629,581	5,119,289	39,997,007	2,532,828
Petroleum, n.o.p. .8235 sp. gr. or heavier	Gallons	7,814,137	376,994	....	....
Settlers' effects . . . . .		....	....	....	500
All other articles . . . . .		....	62,809	....	100
Total imports . . . . .		....	5,700,109	....	3,532,608

Peculiarities and Difficulties of the Market

The writer was impressed with the willingness with which all importers were ready to talk over the possibilities of Canadian manufacturers sending to Peru not only staple lines of goods but also specialties. In discussing the methods of capturing and holding a share of the market, the part the importer played in his relationship to the manufacturer and to the consumer was naturally paramount. The manufacturer should go after the business which is offering in Peru on a permanent basis, with the intention of always keeping a supply of his goods in the hands of his distributor. He should not consider it a market of convenience from which he can withdraw when conditions are bad and enter again when conditions improve. Such a policy seriously interferes with the business which the agent has spent much time, trouble and money to establish. The damage is not so apparent to the manufacturer who, as a rule, has not furnished the capital to build up the market from which he may withdraw when he feels

so inclined. With respect to that class of goods the trade mark of which is an important factor as a sales medium, the merchant or commission agent takes the position that he should receive assistance additional to commissions until these become sufficiently remunerative to cover expenses and leave a profit.

Agent and Exporter.—The foreign agent should be treated more as the manufacturer's partner than as his customer. He is the liaison between the manufacturer and the consumer. The agent should be supplied with all the information which can be used as propaganda, such as the success in other foreign fields of the product he is handling. No matter how small this success may be, it is a proof that the commodity can stand up against competition in other fields. The foreign importer or agent is guided by the wishes of his clientele against which there is no argument, so that the manufacturer must maintain a certain flexibility of policy and one that cannot be maintained at the Peruvian end. This particularly applies to Peru, where the merchant personally knows his customers, with some of whom he may have had dealings for a generation.

The Market's Two Parts.—The Peruvian market is divided into two parts, the one about equal in importance to the other, but there is no way of finding out the exact proportion. One consists of the general public throughout the country, including the firms and large estate owners, the manufacturers and other industrial producers whose requirements are met through the medium of importing merchants and commission houses. The other market includes the principal railway corporations and several of the smaller ones, the Peruvian Government, several large mining companies, an important United States contracting and construction company, and several other organizations which have their buying offices in London, New York, Hamburg, and Paris. Firms in the latter category buy goods, locally or through local houses, but it is safe to say that the major portion of their purchases are passed direct to their agents outside the country.

Propaganda by Product.—There is no doubt that business can be obtained at a profit in some lines immediately an exporter goes after it, but all Canadian manufacturers are not in a position to take advantage of such opportunities. There is, however, a larger field to be won if those manufacturers who cannot obtain a remunerative footing immediately are willing to forgo profits for a year or even two years until their products become known, and until a desire for them has been created. It must be remembered that each article with a manufacturer's name on it serves as propaganda, helps to sell others and thereby greatly increases sales. The producer should, however, weigh in his mind the pros and cons of investing for the future, and if possible adjust his policy so that if need be the products of his company could be handed to the importer at factory cost until such time as a good foothold has been obtained. Such a method can hardly be considered too expensive.

Propaganda by Correspondence.—The Peruvian field is a most difficult and competitive one. Business cannot be picked up by the writing of a letter which simply makes casual and tentative preliminary inquiries. The importer receives so many letters of this kind that in a great many cases it is his policy not to reply to anything which does not definitely interest him. It must be assumed that the importer is satisfied with what he has and that he must be shown something better if the newcomer in the field is to create an interest. In the case of incomplete or indefinite letters he takes for granted that the new product referred to is no better than the hundred others offered, none of which are known to his customers. An article which enjoys a favourable representation in a given territory requires beating with a good margin before the importer will

replace it or even put another alongside of it. If the manufacturer will recognize the difficulties, including the competition which established brands of goods similar to his own are able to offer, and will so draft his letter as definitely to awaken the interest of the importer, there is business to be had.

Trade Inquiries.—Some trade inquiries from a number of Peruvian importers have been and are being published in the *Commercial Intelligence Journal*. Information concerning these firms is on hand at the Department of Trade and Commerce, Ottawa, and additional details are in the possession of the Royal Bank of Canada at Montreal. Before sending catalogues and quotations in response to these opportunities, manufacturers are advised to obtain all the information they can covering the Peruvian firms concerned, as such details will create confidence in the mind of the writer, which will tend to reflect itself in the completeness in detail of the offer sent. Rock-bottom c.i.f. quotations, catalogues, and the expression of willingness to send samples, are all parts of the information which the letter should contain. It should also say whether or not the quotations allow for any commission, and if so, how much it is. From two to three months' sight are the usual terms, so that the quotation should include interest covering the period which the manufacturer is willing to allow or else an intimation of what the rate of interest would be. C.i.f. quotations should be given for the minimum quantity which would give minimum freight rates, but the offer to send samples should only refer to one article. The overhead shipping, customs, and clearance charges on one unit of whatever the product is will be large, but the importer will not base his costs on the one sample but on the c.i.f. quotation for a larger quantity.

Soliciting business in Peru or in any other South American country by letter cannot be done wholesale with the idea of covering as large a number of importers as possible with the least possible effort. The greatest care and trouble must be taken or there will be no results. A Canadian manufacturer may have a catalogue with a large number of articles illustrated in it. If he sends one of them to a Peruvian merchant asking him to indicate some article contained therein upon which he would like to receive c.i.f. quotations and a sample, it is not likely that a reply would be forthcoming; but the manufacturer who, from his general experience gained from his other foreign shipments, can establish or divine which of the products illustrated in his catalogue would be the one most likely to be saleable in Peru and quote c.i.f. on that one as an example, is much more likely to bring results than if he adopted the other method, which is certain to fail. The South American merchant will not respond to any request unless he is definitely interested. In order to attract his attention and to interest him the first letter which the Canadian manufacturer sends must be final in its detail, in its clearness, and in its completeness.

Correspondence in Spanish.—Some effort should be made to have letters to South America written in Spanish, as such a policy is a material aid to business. Apart from its utility, it is looked upon as a friendly and sympathetic advance. An English translation should accompany it, however, as the person by whose assistance the letter has been written may have used colloquialisms common to the country from whence he came, but which may not be understood by the importer who perhaps lives in another part of Spanish South America.

IMPORTS AND EXPORTS OF SWEDEN IN 1925

According to the *Swedish Economic Review*, imports and exports during the year under review amounted in value to 1,436.1 million kroner and 1,357.1 million kr. as compared with 1,424.5 million kr. and 1,261 million kr. respectively in 1924. Increases are recorded in imports of maize, knitted goods, leather, mineral oils, vegetable fat oils, vessels and automobiles, while the chief decreases include wheat, rye, coffee, sugar, cotton, wool, woven cotton and woollen goods, hides, oilcakes, coal and coke, pig-iron and old iron, rolled iron (including rails), and copper, unwrought.

ECONOMIC AND FINANCIAL CONDITIONS IN BRAZIL

TRADE COMMISSIONER A. S. BLEAKNEY

THE COFFEE SITUATION

Rio de Janeiro, April 30, 1926.—Brazilian exports of coffee during 1925 were 13,480,000 bags valued at £74,020,000 sterling against 14,226,000 bags in 1924 valued at £71,833,000. As the 1925 figures for coffee represent 72.1 per cent of Brazil's total exports, it is evident that the purchasing power of the country has been well maintained during the past year by this her staple industry. Incidentally other exports also shared in the increase, advancing from £23,270,000 to £28,623,000. The importance of a good coffee year to Brazil from the point of view of effective demand for imported goods is one that can be readily realized.

As is generally known, the coffee exports of Brazil are more or less controlled by the Coffee Institute, this control having been brought into prominence by the attitude of the United States Department of Commerce in regard to foreign monopolies, and more recently by the success of the coffee loan floated in London. The activities of the Coffee Institute in raising prices of coffee came in for much criticism in the American market until after the visit of the American Coffee Mission, when a study of the situation on the spot resulted in an informal agreement with the coffee interests in Brazil. The importance of modern methods as a means of reducing the abnormal post-war costs of production and marketing of this product are being duly emphasized. Another favourable feature of this vital aspect of Brazil's economic position is the statistical evidence of the world's visible supply of coffee, which has steadily decreased since 1922 from 8,576,775 bags in that year to 5,009,110 bags in 1925.

The permanent defence of coffee has been in operation for a little over a year, and 1925 returns from the United States, the principal market, show that higher prices cut coffee consumption in that country by 10 per cent. The past year in the United States has been one of abounding prosperity and cannot really be taken as indicative of what the situation might be in a year of lessened prosperity. The money return to Brazil on the year's coffee operations was the greatest in the history of the trade, and there was no sign that tea or cocoa was replacing coffee to any great extent. The situation now depends on a continuance of American prosperity and goodwill, and of moderation on the part of the Coffee Institute.

Demand from abroad has lately been poor, but stocks overseas are reported low and better sales are expected in May. F.o.b. values at Rio and Santos for the week ended April 22 averaged £5.144 per bag as against £5.185 for the previous week, and £5.685 for the same week last year. Coffee loaded for the above week amounted to 131,955 bags as against 240,412 bags for the previous week, and 122,930 bags for the corresponding week last year.

IMPORT SITUATION

Statistics published by the Santos Dock Company show an increase by weight of 16.7 per cent in the imports at that port for the first quarter of 1926 as compared with the corresponding period last year. No figures are yet available from Rio, but the Customs Revenue returns show a total duty collected for the first quarter of 100,590 paper contos* of reis against 109,362 for the corresponding quarter of last year. While this is a slight drop, the returns for March are very encouraging, showing 40,752 contos of duty paid during the month, this being almost a record. On the whole, indications are that last year's favourable import conditions are improving. The average exchange for

* 1 conto = \$143 approximately at date of writing.

the past week has been 7\$089 to the dollar, and exchange seems to be settling around this figure. An unfavourable feature of the situation is the re-establishment of control of exchange, which tends to undermine confidence in the milreis and hampers trade. In shipping matters the recent withdrawal of the Lloyd Brasileiro from the Brazil-United States conference has upset the Rio and Santos freight markets, freights dropping ten cents a bag on coffee. Dock charges at Santos have recently been reduced on a number of exported articles. Imports benefit by a reduction of 1 milreis per ton for transport from warehouse to railway.

THE ECONOMIC SITUATION IN FRANCE

TRADE COMMISSIONER HERCULE BARRÉ

Paris, May 10, 1926.—The budget, which has at last been voted, marks the greatest fiscal effort ever made by France, inasmuch as between 20 per cent and 25 per cent of the national income will be absorbed by taxation. From the beginning of the discussion regarding the budget, it has been laid down as a rock principle that the era of loans had to be ended, and that from now on taxation (war debts excepted), should yield enough for all ordinary national needs. Prompt reduction of the internal debt has also been recognized as imperative. To that end a public voluntary subscription has been decided upon, and even before the machinery of the Autonomous Debt Redemption Fund (*Caisse Autonome d'Amortissement de la Dette*) has been completed, millions have already poured in from every part of the country and from every class. Large subscriptions have also been received from well-wishers abroad.

American Debt Settlement.—The agreement for the repayment of the debt to the United States has been received on the whole as a good thing in France, inasmuch as the people now know exactly where they stand in regard to this obligation.

Declining Rate of Exchange.—The country has been not a little surprised to witness a continuous decline of the franc, instead of the recovery anticipated from the voting of the budget and the agreement with Washington over the war debts. But it has been explained that the effects of those two events had been discounted, that the adverse trade balance of the first three months of the year had delayed the expected recovery, and further, that the labour difficulties in England militated against an immediate improvement.

The British General Strike.—The general strike in England naturally reacted against France and other countries. Exports to the British Isles were brought practically to an end. London has been selling francs heavily to strengthen its own financial position. Many large French importers had delayed buying dollars and sterling to cover their purchases abroad, in the hope of a recovery of the franc following the balanced budget and the Washington agreement. On the news of the general strike these importers issued urgent orders to buy American and English currency, thus adding to the external influences weakening the franc for the time being.

The strike has happened at a time when the need of domestic coal has come to an end for this season. Steel furnaces now get most of their coke in France and from Belgium and the Sarre. A slight slowing down may be inevitable at first, but arrangements are on the way to make up from the above sources the limited quantities still obtained from England. The French coal industry has fully recovered and even increased its pre-war production, the latter now being 10 per cent greater than in 1913, the pre-war banner year of the industry.

On the other hand, the stoppage of industry in England even for a short time may to a certain extent favour French exports. In the adjustment of conditions following the strike, France may be called upon to help British industry to start afresh and supply her foreign customers. France has developed large foreign markets since the war, and these are likely to become more important as a consequence of the strike. The feeling of sympathy for England in the face of a strike so disastrous to her economic life is genuine and widespread, for it is recognized that any serious weakening of Great Britain would react against the prosperity of all nations.

One of the internal consequences of the strike was the lowering of the cost of living temporarily in France owing to the fact that huge quantities of food-stuffs were no longer able, for the time being, to be consigned to England. Throughout the South of France the price of vegetables and dairy produce have decreased 50 per cent, and lower prices are being quoted in Paris.

Industrial Situation.—Unemployment in France continues to be negligible, many industries being unable to accept all orders offered for want of sufficient labour. The report of the English Trade Union engineers who recently toured the United States has been widely discussed by the press and its full lesson urged upon all industrial concerns. The recognition in this report of the principle which appears to be accepted by captains of industry in the United States—intensified production permitting high wages to workers and lower costs to consumers—is one the social value of which the *Conseil Economique National* is being urged to bring home to both workers and employers in France.

Canadian Manufacturers' Prospects.—In spite of the low purchasing power of the franc, which acts as a brake against imports, the market in France is one that is well worth cultivating as regards many food products and certain other lines. Barring unforeseen developments in England or elsewhere, the next few months should witness a steady recovery of the franc, with a consequent impetus to imports. The recent 30 per cent increase in duties will not materially affect Canadian exporters, since this increase merely makes up for the depreciation in the value of the franc.

TEA TRADE OF CEYLON IN 1925

The total exports of tea from Ceylon during the year under review amounted to 209,493,536 pounds as compared with 203,680,013 pounds in 1924, an increase of approximately $5\frac{1}{4}$ million pounds, states the Annual Report of the Committee of the Colombo Tea Traders' Association. Of the total exports 208,104,307 pounds was black tea (201,947,625 pounds in 1924) and 1,389,229 pounds green tea (1,732,388 pounds). Last year proved a prosperous one for the tea trade generally. Prices did not rule so high as in 1924, but, taking into account the increased quantity available from Ceylon, the average for the year of 96 cents was very satisfactory, particularly when compared with the decline in prices for teas from other countries.

Shipments to the United Kingdom show an increase of $2\frac{1}{2}$ million pounds, while the figures for Australia, New Zealand, Egypt, and China (Brick Tea), also Iraq included in "other countries," show a noticeable advance. An important feature of last year's exports was the quantity of tea shipped to the Soviet Union, being $1\frac{1}{2}$ million pounds as compared with a negligible quantity in 1924. A decrease of 1,218,656 pounds in Canadian shipments has to be recorded, due perhaps to the lower market for leaf teas ruling in London, while the figure to the United States is also disappointing considering the extensive Indian tea propaganda being carried on in that country; the actual figures being 15,415,717 pounds as compared with 15,173,117 pounds in 1924. It may be remarked in this connection that direct Indian shipments to the United States show an actual decrease over the year of $1\frac{1}{4}$ million pounds while the quantity reshipped from London to this destination has increased by $3\frac{3}{4}$ million pounds.

OPPORTUNITY FOR CANADIAN TRADE IN VENEZUELA

Owing to the important developments which have taken place in the oil-fields of the Republic of Venezuela during the last few years, and the consequent increased purchasing power of the country, that South American state has assumed a new importance as a market.

From a scant half-million barrels in 1920, the production of petroleum had increased to over 20,000,000 in 1925, and the limit has not yet been reached. Venezuela now holds fifth place as a producer of oil, and with further development she may take a yet higher position.

Exports from Canada to the republic rose from \$278,541 in 1921 to \$1,065,253 in 1924, and to \$1,483,333 in fiscal year 1926. These mounting figures are largely accounted for by larger shipments of flour, but as far as other Canadian products are concerned the market is practically untouched, despite the fact that the conditions obtaining warrant the closest attention from the exporters of foodstuffs and many manufactured articles.

Exports from the United States, which country has dominated the market since the war, have similarly shown a big increase, having climbed from \$17,642,530 in 1924 to \$25,157,087 in 1925, or a rise of 43 per cent. The principal commodities affected are wheat flour (which nearly doubled in volume) and pneumatic tires, which have also shown a decided rise.

GEOGRAPHICAL POSITION

The republic of Venezuela occupies the northernmost part of the South American continent, stretching in a northwesterly direction along the Atlantic Ocean and the Caribbean Sea and bounded on the land side by Colombia, Brazil, and British Guiana. The country has an area of 393,976 squares miles, or is, roughly, the same size as the province of Ontario. It has an estimated population of three millions. Of this number about 10 per cent are white and of European descent, but by far the largest part—possibly 70 per cent of the total—is a mixed race in which white and Indian blood prevail. The remainder are of pure Indian blood.

Venezuela may be geographically divided into four zones: (1) The mountain section in the north, which is formed by three ranges, two in the north and northwest being ramifications of the Andes, and the third, the Parima range, in the extreme eastern part of the country. (2) The coastal plain, including the region around Lake Maracaibo. (3) The llanos. These extend across the entire country from east to west and thence south along the course of the Orinoco River, being bounded on the north by the mountain ranges along the coast. (4) The elevated region south and east of the Orinoco River known as the Guayana Highlands.

The last-mentioned two, although covering nearly 80 per cent of the total area of the republic, are sparsely settled and many sections remain as yet unexplored. The llanos are extensive grassy plains, comparatively level with the exception of slightly elevated plateaus which dot the area here and there. The highlands in the southern part of the country are for the most part covered with timber and tropical vegetation. In the former two the great majority of the population are settled, and these are important from a commercial point of view.

The climate of Venezuela, as its broken topography would indicate, is extremely varied. Along the coast and in the region around Lake Maracaibo the climate is tropical. In the mountains just back of this area, which extend across the entire northern part of the country, it is more agreeable, the temperature varying with elevation. The llanos and the Guayano highlands have a climate similar to that of the coastal region, with considerable rainfall, especially from April to November.

PRINCIPAL CITIES AND SEAPORTS

The capital city of Venezuela is Caracas, a city of about 100,000 inhabitants. It is situated eight miles inland from its port of La Guaira, with which it is connected by an excellent motor highway as well as by a winding railroad 24 miles in length. La Guaira stands as the commercial centre of Venezuela with a harbour which can accommodate vessels of deep draught, and possessing warehouse facilities of an extensive nature. There is a good import trade through this port, but large return cargoes are difficult to get and at times almost unobtainable. Its population is approximately 55,000. The other important ports of the republic are Maracaibo, the centre of the petroleum industry, Puerto Cabello, and Ciudad Bolivar.

Situated on a fresh water lake approximately the same size as Lake Erie, the port of Maracaibo drains a large hinterland, and with the present activity in the oil-fields as many as fourteen ships, apart from tankers and the numerous small sailing craft, can be counted unloading at one time. In a few years it has grown from a city of 60,000 inhabitants to 130,000. Of these not less than three thousand are English-speaking and demand northern foods, as also do the better class of the native population.

The majority of the supplies for the oil-fields are landed there, and there is a large and growing market for such Canadian products as fish, canned butter, all varieties of canned fruits and vegetables, potatoes, flour, lumber, cement, the various steel products, and many kinds of manufactured articles. Individually, Maracaibo may be said to be the most important single market in the country. Canada has recently been brought into prominence in the city through the purchase of two electric light and power plants from a Montreal corporation.

Its prosperity, however, has been reflected in the other parts of the republic, and these should not be overlooked. Few Canadian goods are at present to be seen, but mention might be made of one well-known brand of chocolates which has the reputation of being the best in the market and much preferable to the more expensive American candies.

Maracaibo is handicapped by the fact that there is a barrier bar at the entrance to the lake which makes it impossible for vessels of a greater draught than 11 feet 6 inches to enter the harbour. On account of this some shipping companies find it profitable to unload part of the cargo at Curacao for transshipment to light-draught craft.

Puerto Cabello, with a population of 20,000, is situated some eighty miles west of La Guaira and is the most sheltered port of Venezuela. It is twenty miles distant from the inland manufacturing city of Valencia, where there are 30,000 people, and has railroad connections with both it and Caracas. Puerto Cabello is of some importance as the centre of the meat-packing and shipping industry, and in addition exports coffee, cacao, dyewoods, hides, and copper ores.

Ciudad Bolivar is a river port situated on the right bank of the Orinoco 240 miles above its mouth and is the commercial centre of the Orinoco basin. A bar which blocks the river channel prevents ships of more than twelve feet draught from navigating the harbour. It is an export point of some importance and has communication with the government land lines as well as with the upper Orinoco.

PRODUCTS AND INDUSTRIES

The wealth of Venezuela lies in her abundant natural resources, which are largely undeveloped, and in her pastoral and agricultural industries. In addition to the petroleum areas there are various asphalt lakes which yield the best quality of asphaltum, while along the coast pearls are found at various points. The mines yield precious and useful metals—gold, iron, copper, and coal.

The majority of the people are engaged in agriculture, and coffee is the principal crop, making up the main article of export and accounting for nearly half of the total foreign shipments. Cotton, tonka-beans, corn, cacao, tobacco, and sugar cane are extensively cultivated. India-rubber and vanilla are produced. Wheat and other cereals thrive but are mostly used for home consumption. The slopes of the mountains and the shores of many of the large rivers are heavily wooded and contain quantities of valuable timber and many useful medicinal plants.

Live stock has always been a source of national wealth and cattle-raising has been a long-recognized native industry. Many thousands of sheep and goats are bred and the exportation of goatskins forms an important item in the foreign trade of the republic. It is, however, on the extensive interior plains, the llanos, which cover about a third of the total area of the country, that the live stock industry offers the greatest possibilities and where the greatest developments may be looked for in the future. There is a packing house at Puerto Cabello which is at present slaughtering several hundred cattle a day.

Although manufacturing in Venezuela has not reached a high plane of development, factories of various kinds have in recent years increased in number and importance and their products must be considered as competitive when studying the market. Perhaps the most important of these is the textile industry, which turns out an excellent quality of cotton cloth as well as drill and underwear. The largest and most important of the textile mills are in Caracas and Valencia.

The manufacture of boots and shoes is also an important industry, there being several tanneries and shoemaking establishments in Caracas, Valencia and La Guaira. For the cheaper class of shoe local leather is used, but there is a fairly large import of the better-class material.

Other industries include a combined butter and cheese factory, two paper factories which have begun to supply a considerable portion of the domestic demand, several large breweries, and a number of chocolate factories. There is also a glass factory in Caracas, several cigar and cigarette factories, and an establishment for the manufacture of sisal rope. A cement plant at Caracas is also doing good business owing to the Government's policy of building concrete roads. There is, however, a large import trade in foreign cement.

COMMUNICATIONS WITH VENEZUELA

The following are the principal steamship companies calling at the ports of La Guaira and Puerto Cabello: the Harrison and Leyland Lines, both British, with headquarters at Liverpool; Royal Netherlands West India Mail; Compagnie Générale Transatlantique; Hamburg-Amerika Line; Transatlantica Espanola; Navigazione Generale Italiana; Horne Line; and the Red D Line.

Maracaibo, owing to the difficult entrance and the shallowness of the lake, is only served by the Red D Line, the Horne Line and the Compagnie Générale Transatlantique.

As there is no direct communication between Canada and Venezuela, interest centres on the service maintained by the Red D Line, the head office of which is in New York, from whence it maintains weekly sailings to Porto Rico, Curaco and Venezuela. In addition to the Red D Line, the Royal Netherlands West India Mail has a regular service from New York to Caraco and Maracaibo.

Cable connection with Venezuela is a monopoly controlled by the "French Company of Telegraphs and Cables" who have a concession which lasts until 1929. Wireless communications are also possible, through the wireless station at Trinidad, thence to Caracas and other Venezuelan cities.

INTERNAL COMMUNICATIONS

Venezuela resembles Brazil somewhat in the character of its railway development, there being several short lines facilitating traffic between the interior and the sea, but with few exceptions these have not been connected. The northern part of the republic may be said to be fairly well supplied with railway facilities, while in the Lake Maracaibo district there are also several short lines leading into the interior. Several new railway projects are under construction or pending at present, and the total mileage (approximately 700 miles) will be considerably added to when plans are completed.

A pronounced improvement in the social and economic life of the country has been effected within the last few years by the construction, on a broad and comprehensive scale, of a system of national highways totalling in extent of completed roads over 2,000 miles. These have been specifically designed to bear the burden of motor transportation, both of passengers and freight, as well as all classes of vehicular and equestrian traffic.

The waterways of Venezuela form important means of communication and transportation, there being no less than seventy navigable rivers in the country, with a total navigable length of over 6,000 miles. Of this the Orinoco, the third largest river in South America, with its tributaries, furnished nearly 4,000 miles. In addition there is a coastline of roughly 2,000 miles possessing thirty-two ports.

In the vast interior, remote from highway and navigable stream, the chief agent for transportation is the primitive pack animal or creaking cart drawn over the mountain trail.

BANKING AND MONETARY SYSTEM

Canadian enterprise in foreign fields was demonstrated to Venezuela in October, 1916, when the Royal Bank of Canada established a branch in Caracas. Shortly afterwards the same bank opened offices in Ciudad Bolivar and Maracaibo, while in 1924 it added to its strength and prestige in the country by absorbing the Banco Mercantil Americano de Caracas, which had branches in Caracas, La Guaira, and Maracaibo. In the latter city this Canadian institution now handles the bulk of the communities business. The position of this Canadian bank should be of great assistance to Canadian exporters in marketing their goods in Venezuela.

In addition to the Royal Bank there are four national banking institutions; one British bank, the Commercial Bank of Spanish-America; and a number of American nationality, chief among which are the Mercantile Bank of America and the National City Bank of New York.

The official monetary unit is the bolivar, which is equivalent to 0.293230 grammes of fine gold, the same as the franc. It is divided into 100 centimos. Gold coins are issued in 5, 10, 20, 50, and 100 bolivar pieces. Silver coins are issued in 1, 2½, and 5 bolivar pieces and 50 and 20 centimo pieces. The five-bolivar piece is commonly known as the *fuerte* and is worth 96½ cents in United States currency.

The public finance of Venezuela is well conducted as is witnessed by the retirement, in recent years, of substantial instalments of the national debt. The sound fiscal policy of the Government, together with a period of political tranquility, has had the effect of encouraging foreign investors and has done much to increase the purchasing power and prosperity of the country.

REPRESENTATION AND BUSINESS METHODS

Although there are a number of British and American commission houses operating in Venezuela, the representation of the majority of the foreign firms who are already in the field is in the hands of Venezuelan commission agents,

who as a class are energetic and trustworthy. Owing to the three distinct geographical areas—the Caracas, the Maracaibo, and the Ciudad Bolivar regions, separated from each other by the lack of means of communication—the small agent experiences difficulty in covering the whole country. It is therefore essential that if the agent appointed be in one of these regions he should either have sub-agents in the other two or be in a position to visit them frequently.

The principal advertising medium is through the newspapers, although billboards and circulars are used to a certain extent. If agents are appointed it is of great importance that they should be granted an allowance for advertising purposes.

Circulars, catalogues, and all forms of printed propaganda should be in Spanish, which is the language of the country. Weights and measures should be in the metric system, and if possible prices should be quoted in bolivars.

The necessity of careful packing should be borne in mind, particularly if the goods are intended for the interior, where the chief means of transportation is on the backs of burros travelling over mountain trails. The heat and heavy rains of the tropics should be also taken into consideration. At the same time, however, sight should not be lost of the fact that import duties in Venezuela are in many cases charged on goods and containers alike, which calls for a light though durable packing.

With regard to customs regulations, too much emphasis cannot be laid on the necessity of exporters paying the strictest attention to the regulations regarding consular invoices and filling them out with the greatest possible accuracy. The law is very strict in this regard, and unless care is taken the uninitiated may have their goods confiscated or find themselves liable to fine. A good agent will generally advise the exporting house correctly, but cases have occurred where this advice was disregarded with disastrous results.

It is important to remember that the consular invoice is the sole document which enables the importer to clear the goods. The Canadian exporter should be absolutely certain of the standing of the Venezuelan importer, otherwise he should consign to a customs agent at the port, for the customs regulations permit the firm or individual who figures as the consignee on the consular invoice to obtain a duplicate copy of the invoice on payment of a small fee. He can then clear the goods at once and does not hand them over until accounts are settled. ing payment, there is nothing to prevent a dishonest consignee obtaining the shipment without payment. The safe way is to employ a customs broker who clear the goods; so that although the bank may retain the original invoice pending Goods cannot be consigned to a bank.

Full information regarding invoicing and customs duties are available from the Foreign Tariffs Division of the Commercial Intelligence Service, Department of Trade and Commerce, Ottawa.

EXPORT AND IMPORT TRADE

The chief exports of Venezuela are oil, coffee, cacao, sugar, balata, and hides, and the principal customers are the United States, Holland, the United Kingdom, Germany, France, and Spain. The value of the total exports in 1923 (the latest available) was \$32,000,000 as against \$26,603,960 in 1922. With the large increase in the production of petroleum these figures may be considered to have swollen considerably in 1924 and 1925. Imports to Canada from Venezuela were valued at \$175,494 in 1925—a substantial part of which sum is made up of purchases of coffee and cacao.

The principal Canadian products imported into Venezuela in 1925, together with their value in dollars, were as follows: canned fruits and preserves, 1,450; vegetables, canned, 321; wheat flour, 813,084; whisky, 7,822; tires for vehicles, pneumatic, 1,049; canned salmon, 31,864; cotton duck, 41,586; felt, manufac-

tures of, 1,347; shooks, 18,540; newsprint, 1,584; wallpaper, 1,151; books and printed matter, 3,212; farm implements and machinery, 589; automobiles, 77,490; aluminium and aluminium products, 5,609; copper wire and cable, insulated, 20,693; batteries, telephone and telegraph apparatus, 10,355; and paint, 2,078.

The latest available Venezuelan trade returns (1923) show the principal imports, together with their value in bolivars, as follows: agricultural implements and machinery, 1,044,377; automobiles, 3,874,836; bagging, 1,057,294; butter, 1,751,938; cement, 1,069,450; cotton knit goods, 1,098,794; cotton textiles, 26,665,004; drugs and medicines, 3,639,541; electrical apparatus and accessories, 1,767,390; wheat flour, 6,234,545; domestic wares of iron and steel, 2,110,319; unspecified manufactures of iron and steel, 4,097,796; lard, 1,744,088; leather, 1,508,852; machinery, 4,876,547; machinery, spare parts, 1,783,093; paper other than cigarette and print, 1,537,822; railway material, 1,382,278; rice, 2,635,259; tubing of iron, tin or lead, 6,603,181; and wines, 1,745,936.

The United States, as has been already stated, supplies much the greatest part of the goods imported into Venezuela and dominates in such articles as automobiles, cement, drugs and medicines, electrical apparatus, iron and steel manufactures, machinery, and iron tubing. The United Kingdom leads in such lines as cotton textiles, agricultural machinery, and bagging. Germany is also an aggressive competitor, particularly in such commodities as domestic ware of iron and steel, drugs and medicines, and furniture.

Comparatively speaking, Canada's share of the trade is very small despite the increase of recent years. There is no reason, however, why the Dominion should not obtain a large share of the business of this growing market, particularly in commodities such as foodstuffs and some manufactured lines in which she is already prominent in other countries.

Canadian firms wishing to investigate the possibilities of the market for their goods or who want to secure representation should address themselves to Mr. James Cormack, Canadian Trade Commissioner, P.O. Box 125, Port of Spain, Trinidad.

DUTCH CROP CONDITIONS

Mr. Frederick H. Palmer, Canadian Trade Commissioner in Rotterdam, writes under date May 3 that the first crop report of the year has just been published by the Dutch Department of Agriculture. It stresses the damage done to winter crops by the heavy rains of December, the floods of the New Year and subsequent frosts. In several districts "ploughing under" became general, but the report states that low rye and caraway seed prices made it easier for the farmer to make up his mind to do so.

The weather during March was unusual in that only about half the average quantity of rain fell (29 mm. compared with an average of 46), with nearly 50 per cent more sunshine (121 hours, average 96 hours); and on March 21 the thermometer dropped to 5 below freezing. Summer crops were sown under favourable conditions, but the dry last half of March and first weeks of April were unfavourable for the hay crops. Generally speaking, rain is needed everywhere. The condition of the wheat crop is generally good, as are barley and rye also. The Department of Agriculture reports the condition of these crops as being 70 (79), 64 (72), and 70 (74); the figures in parentheses being the condition as reported April 23 last year. The clover crop is not in as good condition as last year, 69 (72), but despite the absence of moisture the grass land condition is given as 75 (72).

ASSISTANCE THAT CAN BE GIVEN BY CANADIAN TRADE COMMISSIONERS

Many manufacturers and exporters apparently are not fully advised as to the valuable services that can be rendered by Canadian Trade Commissioners. The attached is therefore issued with a view to rendering the activities of Canadian Trade Commissioners of greater use to manufacturers and exporters generally.

COMMERCIAL INFORMATION

1. Manufacturers and exporters can receive up-to-date information through the *Commercial Intelligence Journal* or by direct correspondence with the Department or any of the Canadian Trade Commissioners as to:—

- (a) The present and prospective demand for their goods.
- (b) Foreign and local competition (with specimens, catalogues and prices).
- (c) Details of best selling methods.
- (d) Reports on foreign buyers, though the Department cannot assume any responsibility in any opinions expressed by Trade Commissioners. They, however, will use their best endeavours to advise exporters as to the standing of such firms.
- (e) Specifications of articles in particular demand.
- (f) Inquiries for goods, and by means of an efficient system for collecting such inquiries the names can be obtained from time to time from the Commercial Intelligence Branch of the Department at Ottawa.

AGENTS, BUYERS AND DISTRIBUTORS

2. Trade Commissioners will also:—

- (a) Recommend to intending exporters the names of responsible parties in a position to act as agents or buyers and distributors.
- (b) Give every possible assistance to such agents, etc., and will introduce them to influential individuals or associations who may be in a position to buy goods from Canada.
- (c) Give confidential information, when so requested, as to the activities of agents appointed by Canadian exporters, or firms to whom sales have been, or are being, made.

ADVERTISING

3. Trade Commissioners can assist in advising Canadian exporters and manufacturers:—

- (a) As to the best media in which to place advertisements and the form which such advertisements should take, i.e., their adaptation to the special requirements of the community.
- (b) In the display of catalogues, price lists and samples where they can be seen by potential buyers.
- (c) As to the distribution of trade literature, and its probable cost.

GENERAL

4. (a) Trade Commissioners will always be glad to receive visitors from Canada and introduce them to possible buyers or agents, or put them in touch with such experts as legal advisers, interpreters, and shipping and banking representatives.
- (b) The good offices of Trade Commissioners can always be invoked with a view to settling difficulties which may arise between the Canadian exporters and buyers abroad.

- (c) Trade Commissioners will at any time provide such information as may be available as to freight rates, customs, port dues, etc., so as to enable Canadian firms to quote prices for delivery overseas. They will be glad also to provide information respecting cost of travel, regulations applicable to commercial travellers, packing and marking of goods, shipping accommodation, storage arrangements and any other foreign government regulations or conditions which have to be complied with.

FINANCIAL ARRANGEMENTS

5. Particulars can be obtained with regard to:—

- (a) Terms of credit which may be given to foreign buyers.
- (b) Financial houses and banks who will discount bills or give credit.
- (c) Regulations governing the recovery of debts in foreign countries.
- (d) Disposal of goods abroad contracted for but not accepted by foreign buyers.
- (e) Infringement of trade marks or patent rights; and advise on registration.

INFORMATION NECESSARY TO THE TRADE COMMISSIONER

When a Canadian exporter desires the assistance of a Trade Commissioner in marketing his goods abroad, he should in the first letter give that officer the very fullest information in regard to the commodity which he desires to sell as follows:—

- (a) Catalogues and best export prices c.i.f. port of entry, or failing that, f.o.b. Canadian port. It is quite useless to send prices f.o.b. factory.
- (b) Details regarding process of manufacture if convenient.
- (c) If not too bulky, samples of what the firms have to offer should be forwarded—not necessarily a full range—and a draft or money order sufficient to cover the customs duties and landing charges on the samples.
- (d) Bankers' references.
- (e) The proportion of output which is available for export, time required to ship from receipt of order and the quantity for which orders will be accepted.

The Trade Commissioner will thus be in a position to make a survey of his territory, report the opportunities for the lines to be exported, and can then either place the exporter in communication with reliable importers or recommend suitable agents.

Canadian Trade Commissioners and Commercial Agents should be kept supplied with catalogues, price lists, discount rates, etc., and the names and addresses of trade representatives by Canadian exporters. Catalogue should state whether prices are at factory point, f.o.b. at port of shipment, or, which is preferable, c.i.f. at foreign port.

The Canadian Government Trade Commissioners at the present time are using Bentley's Complete Phrase code.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Change in United States Countervailing Duties on Canadian Automobiles and Motor Cycles

United States Treasury Decision 41536, which was published on May 13, calls attention to the new Canadian duties on automobiles and motor cycles made effective provisionally on April 16 (see *Commercial Intelligence Journal* No. 1160 of April 24, 1926, page 536.) Under paragraph 369 of the United States Tariff Act, 1922, the duty on automobiles, automobile bodies, automobile chassis, motor cycles and parts of the foregoing, not including tires, is 25 per cent *ad valorem* with a provision that if any country imposes a higher duty than this on the articles specified, when imported from the United States, there shall be imposed an equal duty on similar goods, when imported from such country, but not to exceed 50 per cent *ad valorem*. Countervailing duties were brought into effect under this item in regard to Canada, and these are now modified, in consequence of the rates contained in the recent Canadian budget resolutions.

Cuban Customs Regulations when Ad Valorem Duties Involved

Mr. A. F. Sainz de la Pena, Consul for Cuba, Montreal, advises that in the case of invoices for goods shipped to Cuba, where duties are charged according to the value of the shipment, the exporter should furnish an affidavit (in Spanish) signed before a notary, showing that the price quoted on the invoice is the price of sale at the date when shipment is made. The Consul gives the following goods as being subject to *ad valorem* duty on entering Cuba:—

Furniture of all kinds; leathers; skins; all leather goods; musical instruments; watches and clocks of all kinds; velocipedes, bicycles, motor cycles and accessories; automobiles and carriages of all kinds; jewellery and imitation jewellery; condensed milk; canned goods; saffron, cinnamon, tea, and vanilla; macaroni, vermicelli, and similar goods; fans, umbrellas, and walking canes; hats of all kinds, including millinery; oil paints, pictures, and water colours, painted pictures; railroad material of all kind; all kinds of machinery.

In determining the aforementioned dutiable value, the following points are to be observed:—

If the bill of lading reads direct from the first point of shipment in the interior of the country to the port of destination in Cuba, the freight charge need not be included in the declaration of cost.

If merchandise from the interior of the country is sent to the port of exportation on an inland bill of lading, and then shipped to Cuba on an ocean bill of lading, the inland freight of such merchandise must be declared on the invoice in addition to the cost of the goods.

A similar distinction is made between shipments by through or local bill of lading from a third country.

Commission paid on an invoice reshipped through a Canadian port must be included in the cost of the merchandise. Consular fees should not be included.

Incidental expenses such as export and statistical fees, papers and stamps, cartage and wharfage, must be included in the value.

Charges for conveying, carting, marking, packing, and other necessary expenses incurred on account of the shipping of the merchandise must be considered as part of the cost and must be declared.

The cost of packing materials is included, but insurance fees should not be included.

In order to facilitate the making out of the affidavit verifying the value, it is proposed to have certain trade associations in Canada empowered to issue certificates, but for the present, manufacturers and exporters are advised to make the affidavits in question before a notary.

Bills of Lading Covering Shipments to Cuba

In a communication received from Mr. A. F. Sainz de la Pena, Consul for Cuba, Montreal, exporters are reminded of the need for caution in disposing of bills of lading which have received the visé of the Cuban Consul. It may be recalled that the original bill of lading covering a shipment to Cuba must receive the consular visé. A carbon copy would not be accepted by the Cuban Consul for this purpose. The viséd document is the only one by which merchandise may be cleared from the custom house in Cuba. The Consul reports that some difficulty has arisen from the fact that exporters sometimes mail the original certified bill of lading direct to the customer, attaching to the draft one of the carbon copies. When this procedure is followed the consignee would be able to clear the goods from customs without being obliged to accept the draft. If the exporter does not wish the goods to go into the possession of the consignee until a draft for payment has been accepted, the bill of lading, which has received consular certification, should not be forwarded to the customer except attached to the draft.

Tariff Information for Chambers of Commerce, etc.

The fourth edition of the tariff of Bolivia and the first edition of the tariff of Latvia as issued by the International Customs Tariffs Bureau, Brussels, Belgium, have just been distributed to those Canadian custom houses, chambers of commerce, boards of trade and bodies of a similar kind, which are on the mailing list of the Department of Trade and Commerce to receive such publications. The International Bureau's tariffs are of considerable value in centres where there is a demand for information about customs duties in force in the markets abroad to which Canadian goods are exported. Organizations receiving them are asked to file them regularly so that the records may be readily consulted by interested parties. Any chamber of commerce or similar association in Canada desiring to be placed on the mailing list to receive publications of the Brussels Tariffs Bureau is invited to apply to the Department of Trade and Commerce, Ottawa, for the service.

FOREIGN TRADE OF CYPRUS IN 1925

The total value of imports and exports (including bullion and specie) for the year ended December 31, 1925, was £1,587,283 and £1,156,800, states *Cyprus Statistics of Imports and Exports and Shipping*. The values of the chief classes of imports and exports are as follows, the figures for exports being placed within parentheses: food, drink and tobacco, £480,191 (£571,996); raw materials and articles mainly unmanufactured, £179,190 (£461,889); articles wholly or mainly manufactured, £923,179 (£68,089); miscellaneous and unclassified, £638 (£54,826).

As regards imports, the chief contributors included the United Kingdom, £423,664; Australia, £190,682; United States, £119,265; Italy, £115,501; Greece, £103,030; France, £83,842; British India, £72,261; Egypt, £71,703; Belgium, £34,590; Turkey, £29,030; Czecho-Slovakia, £28,245; Holland, £28,037; Brazil, £23,110; Java, £22,493; and Roumania, \$20,769; while the principal recipients of Cyprus exports were: Egypt, £256,176; United Kingdom, £235,177; Italy, £138,074; Greece, £106,521; France, £93,379; Germany, £82,888; Holland, £43,220; Belgium, £42,456; Syria, £39,316; the United States, £37,221; Spain, £32,280; and Palestine, £223,268.

VANCOUVER-BRITISH WEST INDIA STEAMSHIP SERVICE

The Canadian Transport Company, Limited, 1012 Metropolitan Building, Vancouver, announces that they are now providing a direct steamship service from Vancouver and other Pacific Coast ports to Port of Spain, Trinidad, and other ports in the West Indies as inducement offers. Cargo will also be accepted for transhipment to destinations in the Windward and Leeward Islands, and British Guiana. The next sailing is announced for June, and it is hoped to have a sailing every six weeks or as often as the volume of cargo offering demands. The projectors of the new service, which is called the Vancouver-West Indies Line, state that their decision to establish this service rested on their confidence that there were large possibilities of trade between the West Indies and the western part of Canada providing there were adequate steamship service facilities.

TENDERS INVITED

New Zealand

Copies of plans and specifications have been received from Mr. C. M. Croft, Canadian Government Trade Commissioner at Auckland, N.Z., for equipment required by the New Zealand Government Public Works Department. These specifications are open for inspection at the Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa. Tenders should be addressed to the Secretary, Public Works Supplies and Tenders Committee, Wellington, in accordance with these specifications.

One synchronous condenser, complete with equipment and switchgear, as specified. Date of closing, August 24.

Section 13, Waikaremoana Scheme.—Two turbines and generators complete with spares and tools, as specified. Date of closing, November 2.

Section 12, Waikaremoana Scheme.—7,132 feet of pipes and accessories, as specified. Date of closing, November 2.

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

526. Peruvian importer is willing to examine quotations on food products.

527. Peruvian importer is willing to receive quotations on food products, including cod-fish.

528. GROCERY LINES.—A Dublin agent is willing to act as representative.

529. GROCERY, DRUGGIST, AND CONFECTIONERY SUPPLIES.—A Dutch commission merchant, with representatives calling on the grocery, druggist, and confectionery trade, desires representation of Canadian firms supplying requirements of these merchants.

530. SPRING WHEAT FLOUR.—A North of England miller, who uses approximately 25 tons of imported flour weekly for blending purposes when competitive prices will allow, invites c.i.f. Manchester quotations from Canadian millers not represented in this market.

531. **CANNED GOODS.**—An importer at Paramaribo, Surinam, Dutch West Indies, wishes to correspond with Canadian exporters.

532. **DRIED AND PRESERVED FISH.**—An importer at Paramaribo, Surinam, wishes to correspond with Canadian exporters.

533. **FISH AND CHEESE.**—A firm at Bari, Italy, wish to represent Canadian exporters.

534. **CANNED LOBSTER.**—A firm in Genoa wish to act as agents for Canadian exporters.

535. **CODFISH; POTATOES; OATS.**—A firm at Neuvas, Cuba, wish to correspond with Canadian exporters.

536. **DRIED CODFISH.**—A firm at Barcelona, with good connections at Valencia, desire to act as representatives for Canadian exporters.

537. **PILCHARDS AND CLAMS.**—A New Zealand firm are desirous of corresponding with Canadian exporters who are in a position to ship minced sea clams and hand-picked pilchards.

Miscellaneous

538. **CASCARA BARK, SENEGA ROOT, HYDRASTIS, ETC.**—A London firm who are regular buyers of cascara bark, senega root, and other crude drugs invite samples and prices c.i.f. London from Canadian producers and shippers who are not already represented in the United Kingdom.

539. **HOSIERY, ETC.**—A Swiss firm in Bienne would like to import hosiery, fancy goods, underwear, gloves, leatherware, and similar articles.

540. **SOFT GOODS.**—Peruvian importer is willing to receive quotations.

541. **TENTS, GARDEN AND BEACH UMBRELLAS.**—A commission firm in The Hague desire to represent Canadian manufacturers of canvas tents and umbrellas and other camping equipment.

542. **FLAX FIBRE AND TOW.**—A Belgian firm are desirous of hearing from Canadian exporters: prices c.i.f. Antwerp.

543. **RUBBER-SOLED CANVAS SHOES.**—An importer at Paramaribo, Surinam, Dutch West Indies, wishes to correspond with Canadian exporters.

544. **FOOTWEAR.**—An importer in Port of Spain, Trinidad, wishes to correspond with Canadian exporters of leather soles and rubber-sole shoes.

545. **BOOT AND SHOE FINDINGS.**—A Leicester firm desire quotations for fibre blanks suitable for the manufacture of stiffeners and insoles. Thickness $\frac{1}{16}$ inch up to $\frac{1}{8}$ inch or from 3 to 5 iron gauge (Birmingham).

546. **STATIONERS' SUNDRIES.**—A Birmingham manufacturer of (metal only) general stationers' sundries is open to handle Canadian lines which they are not manufacturing.

547. **NEWSPRINT.**—Peruvian manufacturers' agent is willing to represent manufacturer of roll and flat newsprint. Samples and quotations should be sent.

548 and 549. **HARDWARE.**—Two Peruvian importers are willing to receive catalogues and quotations on general hardware.

550. **HARDWARE.**—Chilean importer desires to receive catalogues and quotations on hardware.

551. **MOTOR ACCESSORIES.**—A Birmingham motor accessories house at present representing several United States manufacturers will consider Canadian offers of accessories or parts suitable for the English trade. Representation desired.

552. **MACHINERY.**—Peruvian importer desires to receive catalogues and quotations on machinery of all kinds, including machine tools.

553. **PUMPS.**—Peruvian importer desires to examine catalogues and quotations.

554. **WHEELBARROWS.**—Catalogues and quotations on steel wheelbarrows are requested by a Peruvian importer.

555. **WIRE.**—Peruvian importer is willing to study quotations on wire of all kinds.

556. **TUBES.**—Peruvian importer is willing to examine quotations on plain and galvanized iron tubes.

557. **CEMENT.**—Peruvian importer desires to receive quotations on cement.

558. **BELTING.**—Peruvian importer desires to receive quotations on transmission belting.

559. **ASBESTOS.**—Peruvian importer desires to receive samples and quotations on asbestos and asbestos products.

560. **ASBESTOS.**—A firm in Naples wish to be put in touch with prominent Canadian exporters of asbestos with whom important business could be transacted.

561. **MICA.**—A firm in Naples are anxious to communicate with Canadian exporters.

562. **MOP HANDLES.**—A Bristol brush manufacturer desires quotations for mop handles 50 inches by $\frac{3}{4}$ -inch diameter, both soft and hard wood, well sanded, and two coats of white shellac, 500-gross lots; quotations Avonmouth in sterling.

563. **LUMBER.**—Peruvian importer desires to receive specifications and quotations.

564. **POSTS AND SLEEPERS.**—Peruvian importer desires to examine quotations on telephone posts and railway sleepers.

565. **BOX SHOOKS.**—Specifications and quotations on box shooks desired by Peruvian importer.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING MAY 25, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending May 25, 1926. Those for the week ending May 17, 1926, are also given for the sake of comparison.

		Parity	Week Ending May 17, 1926	Week Ending May 25, 1926
Britain	£	1.00	\$4.866	\$4.8600
Belgium	Fr.	1.	.0295	.0321
Czecho-Slovakia	Crown	1.	.0296	.0296
Finland	Mark	1.	.0252	.....
France	Fr.	1.	.0301	.0319
Holland	Florin	1.	.4025	.4019
Italy	Lire	1.	.0368	.0382
Spain	Pes.	1.	.1444	.1461
Portugal	Esc.	1.	.0520	.0520
Switzerland	Fr.	1.	.1934	.1936
Germany	Reichs Mk.	1.	.2382	.2382
Greece	Dr.	1.	.0127	.0128
Norway	Kr.	1.	.2166	.2164
Sweden	Kr.	1.	.2678	.2677
Denmark	Kr.	1.	.2627	.2626
Austria	Schilling	1.	.14125	.1412
Japan	Yen	1.	.4700	.4700
Siam	Tical	1.	.4550	.4550
India	R.	1.	.3662	.3667
United States	\$	1.	.9993	.9997
Mexico	\$	1.	.4810	.4775
Argentina	Pes. (Paper)	1.	.4018	.4012
Brazil	Mil.	1.	.1460	.1510
Roumania	Lei	1.	.198	.....
Jamaica	£	1.	4.86½	4.8775
British Guiana	\$	1.	1.	
Barbados	\$	1.	1.	
Trinidad	\$	1.	1.	
Dominica	\$	1.	1.	
St. Kitts	\$	1.	1.	
Grenada	\$	1.	1.	
St. Vincent	\$	1.	1.	
Tobago	\$	1.	1.	
Shanghai, China	Tael	1.	.708	.7212
Batavia, Java	Guilder	1.	.4020	.4037
Peru	Crown	1.	4.86½	3.7400
Singapore, Straits Settlements .. \$		1.	.507	.5726

1.0075—1.0050 1.01875—1.0175

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To LONDON, PLYMOUTH AND CHERBOURG.—Ausonia, June 5; Alaunia, June 12; Antonia, June 19; Ascania, June 26—all Cunard Line.

To LONDON.—Brecon, June 5; Balfour, June 12; Bothwell, June 19; Brandon, June 26—all Canadian Pacific; Canadian Aviator, June 7; Canadian Hunter, June 17; Canadian Trapper, June 26—all C.G.M.M.

To LIVERPOOL.—Aurania, June 4; Moveria, June 11; Kelvinia, June 18—all Cunard Line; Canada, June 5; Regina, June 11; Megantic, June 19; Doric, June 26—all White Star-Dominion; Montcalm, June 4; Montclare, June 11; Montrose, June 25—all Canadian Pacific.

To AVONMOUTH.—Colonian, June 5; Oxonian, June 19; Welshman, June 26—all White Star-Dominion; Concordia, Anchor-Donaldson Line, June 12.

To GLASGOW.—Carmia, June 4; Athenia, June 11; Carmia, June 18—all Anchor-Donaldson; Metagama, Canadian Pacific, June 17.

To BELFAST.—Lord Downshire, Head Line, June 6.

To DUBLIN.—Lord Downshire, June 6; Carriagan Head, June 25—both Head Line.

To SOUTHAMPTON.—Minnedosa, June 2; Melita, June 16—both Canadian Pacific.

To MANCHESTER.—Manchester Corporation, June 3; Manchester Brigade, June 10; Manchester Producer, June 17; Manchester Hero, June 24—all Manchester Liners.

To CARDIFF AND SWANSEA.—Canadian Victor, June 4; Canadian Leader, June 18—both C.G.M.M.

To ANTWERP.—Minnedosa, June 2; Melita, June 16—both Canadian Pacific; Canadian Aviator, June 7; Canadian Hunter, June 17; Canadian Trapper, June 26—all C.G.M.M.

To HAVRE AND ROTTERDAM.—Brant County, Intercontinental Transports Ltd., June 12.

To HAMBURG.—Hada, June 5; Hastings County, June 26—both Intercontinental Transports, Ltd.

To ITALIAN PORTS.—Valcerusa, Lloyd Mediterraneo Italian Service, June 15.

To COPENHAGEN AND BALTIC PORTS.—Ivar, Scandinavian-American Line, June 6.

To AUSTRALIAN PORTS.—Canadian Traveller, C.G.M.M., June 7.

To NEW ZEALAND PORTS.—Canadian Cruiser, C.G.M.M., June 25.

To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Squatter, June 2 (calls at Guadeloupe); Canadian Carrier, June 12; Canadian Runner, June 23—all C.G.M.M.

To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Forester, June 9; Canadian Fisher, June 30—both C.G.M.M.

To ST. JOHN'S, Nfld. (via CHARLOTTETOWN).—Canadian Sapper, C.G.M.M., June 3, June 19.

From Quebec

To GLASGOW.—Montnairn, Canadian Pacific, June 3.

To LIVERPOOL.—Montroyal, Canadian Pacific, June 18.

To SOUTHAMPTON.—Empress of France, June 9; Empress of Scotland, June 23—both Canadian Pacific.

To HAMBURG.—Empress of France, Canadian Pacific, June 9.

From Halifax

To LIVERPOOL.—Nova Scotia, Furness, Withy, June 12.

To ST. JOHN'S, Nfld.—Nova Scotia, Furness, Withy, June 12; Farnorth, Farquhar SS., June 2, June 13.

To NEWFOUNDLAND SOUTH COAST OUTPORTS AND ST. PIERRE-MIQUELON.—Skipper, Farquhar SS., June 8, June 22.

To NEWFOUNDLAND WEST COAST OUTPORTS.—A steamer, Farquhar SS., June 1, June 15, June 29.

To BERMUDA, ST. KITTS, ANTIGUA, MONTSEERAT, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Chaudiere, June 4; Chaleur, June 18—both R.M.S.P. Co.

To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, June 16.

From Vancouver

To YOKOHAMA AND KOBE.—Asuka Maru, Nippon Yusen Kaisha, June 12.

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Russia, Canadian Pacific, June 24.

To YOKOHAMA, KOBE, SHANGHAI, HONG KONG AND MANILA.—Empress of Canada, Canadian Pacific, June 10.

To YOKOHAMA, KOBE AND HONG KONG.—Tyndareus, Blue Funnel Line, June 24.

To YOKOHAMA, KOBE, MIKE AND SHANGHAI.—Philoctetes, Blue Funnel, June 3.

To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Arizona Maru, Osaka Shosen Kaisha, June 4.

To YOKOHAMA, KOBE, DAIREN, TAKU AND SHANGHAI.—Arabia Maru, Osaka Shosen Kaisha, June 16.

To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Niagara, June 2; Aorangi, June 30—both Canadian-Australasian Line.

To WEST COAST UNITED KINGDOM PORTS.—Canadian Highlander, May 31; Canadian Skirmisher, June 30—both C.G.M.M.

To LIVERPOOL.—Grootendyk, North Pacific Coast Line, late June.

To LONDON AND ANTWERP.—Grootendyk, North Pacific Coast Line, late June; Canadian Importer, C.G.M.M., June 19.

To MANCHESTER.—Pacific Shipper, Furness Pacific Line, June 11.

To ROTTERDAM.—Grootendyk, North Pacific Coast Line, late June.

To BORDEAUX, HAVRE AND ANTWERP.—Arizona, May 31; Iowa, June 4; Sonora, June 10; Montana, June 25—all Cie. Gle. Transatlantique (French Line).

To BARCELONA, MARSEILLES, GENOA, NAPLES AND TRIESTE.—Fella, Navigazione Libera Triestina, June 24.

To TRINIDAD.—A steamer, Pacific-Caribbean Gulf Line, early June.

To AUSTRALIAN AND NEW ZEALAND PORTS.—West Calera, Pacific Australia Line, June 15.

LISTS OF ACTS ADMINISTERED AND PUBLICATIONS ISSUED BY THE DEPARTMENT OF TRADE AND COMMERCE

Applications for these Acts of Parliament and other publications in this list, together with remittances for the same, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution".

Copper Bars and Rods Bounty Act. Copyright Act.
Electricity and Fluid Exportation Act. Electricity Inspection Act.
Electric Units Act. Gas Inspection Act. Gold and Silver Marking Act.
Grain Act. Hemp Bounty Act. Inland Water Freight Rates Act.
Patent Act. Statistics Act. Trade Mark and Design Act.
Timber Marking Act. Inspection of Water Meters Act.
Weights and Measures Inspection Act.

MISCELLANEOUS

Annual Report of the Department of Trade and Commerce. (Price 10 cents.)
Annual Report of the Board of Grain Commissioners for Canada. (Price 25 cents.)
Annual Report of Weights and Measures, Electricity and Gas. (Price 10 cents.)
Canada-British West Indies-Bermuda-British Guiana-British Honduras Trade Agreement (1925). (Price 10 cents.)
Canada West Indies Conference (1920). (Price 25 cents.)
Canada-West Indies Conference Report, (1925). (Price \$1.)
Dominion Grain Research Laboratory (1920). (Price 10 cents.)
Electrical Standards and their application to Trade and Commerce.
Final Report of the Fuel Controller (1920).
Grain Inspection in Canada (1914). (Price 25 cents.)
Imperial Fruit Show (1923).
List of Licensed Elevators, etc. (Price 50 cents.)
Motion Pictures, Catalogue of. (Price 10 cents.)
Pan-Pacific Commercial Conference (1923). (Price 25 cents.)

PUBLICATIONS OF THE COMMERCIAL INTELLIGENCE SERVICE

NOTE.—Publications of the Commercial Intelligence Service are free to subscribers to the Commercial Intelligence Journal.

Commercial Intelligence Journal Weekly (In English and French), containing Reports of Trade Commissioners and other Commercial Information. Annual Subscription: In Canada, \$1; single copies, 5 cents. Outside Canada \$3.50; single copies, 10 cents.
Chinese Markets for Canadian Products (1919). (Price 25 cents.)
German War and its Relation to Canadian Trade (1914). (Price 25 cents.)
Indian Empire as a Market for Canadian Products (1922). (Price 25 cents.)
Markets of British Malaya (1923). (Price 25 cents.)
Markets of Jamaica and the Republic of Colombia, Venezuela and Panama (1922). (Price 25 cents.)
Packing for Overseas Markets (1922). (Price 25 cents.)
Preferential Tariffs of British West Indies (1922). (Price 25 cents.)
Report of Special Trade Commission to Great Britain, France and Italy. (French and English) 1916). (Price 25 cents.)
Representation in British and Foreign Markets (1923). (Price 25 cents.)
Republic of Chile: Its Economic Condition and Trading Opportunities (1923). (Price 25 cents.)
Republic of Peru: Its Development and Commercial Opportunities (1923). (Price 25 cents.)
Russian Trade (1916). (Price 25 cents.)
Trade after the War (1916). (Price 25 cents.)
Timber Import Trade of Australia (1917). (Price 25 cents.)
Trade between Canada and the British West India Colonies (1920). (Price 25 cents.)
Trade of the New Countries of Southeast Europe (1921). (Price 25 cents.)
Trading Opportunities in Scandinavia (1922). (Price 25 cents.)
Trading with Egypt (1921). (Price 25 cents.)
Trading with Greece (1921). (Price 25 cents.)
Trade with South China (1918). (Price 25 cents.)
Trading with Spain (1920). (Price 25 cents.)
Toy Making in Canada (1916). (Price 25 cents.)
West Africa and its Opportunities for Canadian Trade (1921). (Price 25 cents.)

PUBLICATIONS OF THE DOMINION BUREAU OF STATISTICS

The following is an abbreviated list of publications of the Bureau of Statistics.

Census of Canada.

Census of Prairie Provinces (1916).

Miscellaneous Statistics respecting the following: Criminal; Education; Finance (Provincial and Municipal); Transportation, including railways and tramways, express, telegraphs, telephones water, etc.; Production, including agriculture, furs, fisheries, forestry, mining and manufactures: Vital (annual and monthly).

Monthly Bulletin of Agricultural Statistics

Year Book of Canada.

Report of the Dominion Statistician, Annual.

Trade of Canada (Imports and Exports), Annual and Monthly.

Trade (Internal), including grain, live stock, coal prices, etc.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

James Cormack. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

P. W. Cook. Address for letters—P. O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300, Office—North China Daily News Building, 17 The Bund, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Gutrufhaus, Neuerwall 10, Hamburg 36. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czechoslovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watermill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230, office, Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

Netherlands East Indies

R. S. O'Meara, P.O. Box 84, Batavia, Java. (Territory covers Straits Settlements, Federated Malay States, Indo-China, and Siam.) *Cable Address, Canadian.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P.O. Box 683. Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia.) *Cable Address, Sleighing, London.*

J. Forsyth Smith, Century Bldgs., 31 North John street, Liverpool. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales.) *Cable Address, Cantracom.*

Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands.) *Cable Address, Canadian.*

Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. O'Hara

Published in English and French. Subscription Price for either edition, \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, June 5, 1926

No. 1166

TABLE OF CONTENTS

	Page		Page
Danish Market for Canadian Products—I:		Direct Exchange of Parcel Post with Norway	727
Introductory	705	Tariff Changes and Customs Regulations:	
Trade Conditions in the United Kingdom . .	711	South Africa removes Dumping Duty on	
Trade Commissioner E. L. McColl's Itinerary		Canadian Cement	728
in Canada	711	Documentation of Shipments to Jamaica . .	728
Summary of the Trade of Canada: Month of		Reduction of Export Tax on Molasses in	
April and Twelve Months ending April,		St. Vincent	728
1926	712	Proposed Change in Czecho-Slovakian	
Commercial Notes from New South Wales:		Duties on Wheat and Flour	728
Motor Progress in Australia	713	Market Openings in Tanganyika	729
Motor Car Imports into Australia	713	Industrial Development in Czecho-Slovakia in	
Australian Liquid Fuel Supplies	713	1925	729
Cotton Production in Queensland	714	New Zealand's Imports from Canada	730
Australian Sugar Production	714	Valparaiso's Rival	730
Cotton growing in Argentina	714	Chile as an Oil-producing Country	730
Argentine Market for Refrigerators	715	Tenders Invited—Australia	731
Peru as a Market for Canadian Products—		Trade Inquiries for Canadian Products . .	731
Finance: Currency; Budget; Exchange;		Foreign Exchange Quotations for Week end-	
Banking	717	ing May 31, 1926	733
Italian Industries and Foreign Trade during		Proposed Sailings from Canadian Ports . .	733
1925	722	List of Acts Administered and Publications	735
Automotives in Holland	722	Commercial Intelligence Service	736

THE DANISH MARKET FOR CANADIAN PRODUCTS

TRADE COMMISSIONER L. D. WILGRESS

[Subjoined is the first of a series of reports by Mr. Wilgress on the "Danish Market for Canadian Products", founded on a recent extended visit to Denmark in the interests of Canadian trade. Sections to be dealt with in next week's number include: Agriculture; Fisheries; Manufactures; Present Trade Conditions; and Tariffs and Customs Regulations. In subsequent issues the market for specific Canadian products will be surveyed under the following heads: Grain and Mill Products; Fresh Apples; Provisions; Seeds; Agricultural Implements; Rubber Goods; Motor Vehicles; Leather; and Miscellaneous Manufactured Goods.]

Introductory

Hamburg, March 23, 1926.—Denmark is a small country with an area of 16,616 square miles and a total population of 3,390,000. The basis of the economic life of the country is intensive agriculture and the principal Danish exports are butter, bacon, and eggs, in which commodities Denmark is the chief competitor of Canada on the British market. In view of these facts it might be thought that the prospects for trade exchanges between the Dominion and Denmark are not very great. Nevertheless the exports of Canadian goods to that country have shown an encouraging growth in the last three years, and in 1925 amounted to a total value of \$5,673,173, which in proportion to population is greater than the value of Canadian goods imported by most European countries.

Denmark provides good opportunities for Canadian trade chiefly on account of the relatively high standard of living in that country and the importance of Copenhagen as a distributing centre for the Baltic territory. The latter factor

is subject to the consideration that owing to the similarity of the principal Scandinavian and Canadian products the number of commodities which the Dominion can export to this territory is restricted.

PRODUCTS AT PRESENT EXPORTED

Canadian exports to Denmark consist principally of such food products as the latter country requires to import to supplement domestic supplies and of certain lines of manufactured goods. The possibilities of selling Canadian manufactured goods to Denmark are restricted by the proximity of European competing sources of supply, such as Great Britain, Germany, and Sweden, but in those lines in which Canadian firms can meet European competition a fair trade is being done.

Last year the chief products exported from the Dominion to Denmark were wheat flour, wheat, safety razors, automobiles and parts, barley, oats, automobile tires, rye, canned lobsters, harvesting machines, rubber footwear, fresh apples, alsike clover seeds, iron pipes and tubes, upper leather, animal oils, farm and garden tools, brass valves, oatmeal and rolled oats, cotton duck, canned salmon, honey, and raw tobacco.

Canadian Exports to Denmark, Ten Months ending January, 1926

Wheat flour, 214,686 barrels	\$1,491,896
Wheat 719,291 bushels	1,150,839
Barley, 271,212 bushels	263,312
Oats, 372,838 bushels	247,689
Rye, 119,162 bushels	119,774
Oat meal and rolled oats	7,095
Total grain and milled products	\$3,280,405
Canned lobsters	\$ 105,895
Apples, fresh	33,106
Canned salmon	2,309
Honey	1,776
Meats, n.o.p.	395
Total other foodstuffs	\$ 143,481
Alsike clover seeds	\$ 18,942
Neatsfoot and other animal oils	11,745
Tobacco, unmanufactured	971
Total raw products	\$ 31,658
Automobiles, passenger	\$ 135,663
Automobile parts	216,466
Total automobiles and parts	\$ 352,129
Tire casings	\$ 180,535
Inner tubes for tires	35,598
Canvas shoes with rubber soles	38,863
Boots and shoes of rubber	22,887
Other manufactures of rubber	14,098
Total rubber goods	\$ 291,981
Harvesters and binders	\$ 67,070
Mowing machines	7,810
Farm and garden tools	10,206
Farm implement parts	635
Ploughs and parts	73
Total farm and garden implements	\$ 85,794
Razors	\$ 760,055
Iron pipes and tubes	18,164
Upper leather	12,001
Brass valves	8,806
Cotton duck	3,449
Cotton and jute bags	868
Adding and calculating machines	375
Total other manufactures	\$ 803,718
Other products exported	\$ 112,937
Total Canadian exports	\$5,102,103

It will be seen from the above table that grain and milled products accounted for 64 per cent of the total value of Canadian exports to Denmark during the period in question. The exports of manufactured goods other than foodstuffs were valued at \$1,533,622, or 30 per cent of the total. Of this amount nearly three-fourths were contributed by the Canadian razor and automobile industries, while rubber goods and farm implements comprised most of the remainder.

FOREIGN TRADE OF DENMARK

A study of the Danish foreign trade statistics will further indicate the products in which Canada has an opportunity for developing business with that country.

According to the provisional figures for the year 1925, the total value of the imports into Denmark was 2,094,971,000 kroner* or 618 kroner per capita. The total value of Danish exports in 1925 was 1,965,980,000 kroner, of which 170,969,000 kroner were re-exports. There was therefore an unfavourable balance of trade amounting to 128,991,000 kroner.

The following table shows the more important groups of commodities imported in 1925:—

Imports into Denmark in 1925

	Million Kroner
Unground grain and pulse	244
Feeding stuffs	221
Ships, vehicles, machinery, instruments, clocks	179
Tallow, oil, rubber, resin, tar, etc.	136
Mineral fuels	114
Groceries	110
Vegetable substances (including oil seeds)	106
Textiles of vegetable materials	98
Fertilizers	75
Textiles of wool, etc.	69
Raw iron, semi-manufactured iron	65
Wood, unworked and sawn, etc.	58
Spinning materials	51
Articles of clothing, including footwear	48
Vegetables and fruits	42
Yarn, rope, etc.	40
Manufactured iron goods	39
Hides, skins, hair, etc.	38
Paper and articles thereof	31
All other goods	342
Total	2,095

The largest groups of imports are therefore grain and feeding stuffs. Danish agriculture being concentrated chiefly on intensive animal husbandry, the growing of grain for direct consumption takes a secondary place to the cultivation of fodder crops. An import of grain is therefore necessary to supplement domestic supplies. A large importation of nitrogenous feeding stuffs, chiefly oilcakes, is also necessary in addition to the root crops cultivated in Denmark. Oil seeds are, moreover, imported to be crushed in Danish mills. There is a considerable importation of animal oils for the manufacture of margarine, which is very largely consumed in Denmark in place of butter.

The other large groups of imports are seen to be manufactured articles for the use of the population or raw materials for Danish industries. There are a number of factories in Denmark, which are chiefly concentrated in the neighbourhood of Copenhagen, but they are mostly designed for supplying goods required by the local population and there is little export of industrial products. At the same time a very considerable proportion of the requirements of the population for manufactured goods is covered by importations from Germany, Great Britain, the United States, and Sweden.

Nearly one-third of the total value of the goods imported into Denmark are shipped from Germany, while the share of Great Britain is about one-fifth, that of the United States one-eighth, and that of Sweden over one-twentieth.

* Par value of 1 Danish krone = \$0.268 or \$1.00 = 3.75 kr.

Butter, bacon, and eggs comprise a very large proportion of the Danish export trade, as the following table of the value of the more important groups of commodities exported in 1925 will show:—

EXPORTS OF DANISH GOODS IN 1925

	Million Kroner
Butter, cream, milk and cheese	616
Bacon, beef and other slaughter house products	581
Eggs	123
Vehicles, machinery, instruments, etc.	101
Living animals	50
Tallow oil, rubber, resin, tar, etc.	43
Hides, skins, etc.	35
Ships	33
Cement, flint, cryolite, etc.	28
Fish, shell-fish, etc. (not canned)	27
Lard, condensed milk, canned goods, etc.	24
Unground grain and pulse	18
All other goods	116
Total	1,795

Over two-thirds of the total value of the exports of Danish goods are represented by shipments to Great Britain.

TRANSIT TRADE OF COPENHAGEN

There is a fairly considerable transit trade in foreign goods through Copenhagen, and this enhances the importance of Canadian trade with Denmark. Copenhagen is a very convenient distributing centre for the Baltic territory, which includes Sweden, Norway, Finland, Esthonia, Latvia, Lithuania, Poland, and Soviet Russia. Overseas products are imported into the Copenhagen free port for the account of Danish firms and resold to these countries, while the products of these countries are in return re-exported from Copenhagen.

In 1925 the total value of the foreign goods re-exported from Denmark was 171,000,000 kroner. Before the war the value of this entrepot trade through Copenhagen was estimated at 250,000,000 kroner, of which one-fourth was represented by re-exports to Germany and one-fourth by re-exports to Sweden. In 1923 more than two-fifths of the transit trade was with Sweden, one-seventh with Norway, one-tenth with Finland, and 5½ per cent with Germany.

Nearly all groups of commodities are represented in this transit trade, but the largest share is accounted for by textiles. Other important groups are coffee, fruit, grain, flour, groceries, clothing, wood, hides and skins, leather goods, metal goods, and oil.

In addition to the transit trade through Copenhagen, Danish importers themselves often purchase overseas products in Hamburg and other German ports. This especially applies to corn, oilcakes, and fertilizers. Coffee and other foodstuffs, fruit, cotton, copra, etc., are also often purchased through German intermediaries, but not to the same extent as before the war.

At the conclusion of the war the Danes hoped greatly to enhance the importance of Copenhagen as an emporium for the trade with Baltic countries. Efforts were made to attract to Copenhagen a large share of the entrepot trade which previously had passed through Hamburg and other German ports.

These anticipations have been fulfilled only to a limited extent. There has been no rapid revival of Russian trade. Danish firms suffered heavy losses in 1920 on stocks which they had purchased for resale to Baltic countries. During the inflation period in Germany the Hamburg firms were able to re-establish most of their pre-war connections owing to handling charges being so much cheaper at Hamburg than at Copenhagen. Finally, the Danish intermediary firms have been handicapped in competing with Hamburg by (1) the more frequent steamship connections with the latter port; (2) the larger hinterland served by Hamburg; (3) lower handling charges at Hamburg; (4) the facilities for

transshipment at Hamburg to Baltic ports are neither inferior nor more expensive than those provided by the coastal services from Copenhagen.

THE COPENHAGEN FREE PORT

In the entrepot trade transacted through the medium of Danish firms the facilities provided by the Copenhagen Free Port have been of great importance. The Free Port has a total land area of 128 acres and a water area of 82.5 acres. The total length of the wharves is 5,207 yards and they are equipped with forty-two electric cranes and seven steam cranes. There are three small grain elevators, but no cold store has yet been erected in the Free Port. The depth of water at the various wharves is from 24 feet 7 inches to 29 feet 10 inches, but a new basin is being completed with a depth of 32 feet 10 inches. The Free Port is owned by the Copenhagen Harbour Board, but is administered by a company, who have equipped the port with warehouses, elevators, cranes, etc.

A total of 15,939 ships of about 4,748,000 net register tons arrived at Copenhagen in 1925, while the total quantity of goods loaded amounted to 1,170,000 tons.

In addition to Copenhagen there are a number of provincial ports, which are of importance chiefly in connection with the export of Danish products to Great Britain and other European countries and for the import of British coal. The most important of these ports are Aalborg, Aarhus, Esbjerg, and Odense. In 1925 a total of 2,630,000 tons of goods were loaded at the Danish provincial ports. In the same year a total of 10,900,000 tons were discharged at Danish ports, including Copenhagen.

SHIPPING COMMUNICATIONS

The only regular service between Eastern Canadian ports and Copenhagen is provided by the steamers of the United Steamship Company, Limited (Scandinavian American Line), who operate cargo steamers from Montreal in summer and West St. John in winter. During the summer a steamer sails from Montreal every three weeks, but in winter the service is less regular and is dependent upon the amount of cargo offering. The mail steamers of the Scandinavian American Line, sailing fortnightly between New York and Copenhagen, usually call at Halifax to land or embark passengers. The chief cargo services between New York and Copenhagen are provided by this company and the Scandic Line, which operates vessels of the United States Shipping Board in a fortnightly service between the two ports.

The United Shipping Company, Limited, and the East Asiatic Company, Limited, are the two leading Danish shipping companies. The former at the end of 1924 had a fleet of 112 steamers and 6 motor ships of a combined net register tonnage of 125,244 tons. In addition to the transatlantic services mentioned, this company maintain regular services between Danish ports and ports in other European countries. Canadian goods can therefore be shipped to Copenhagen with transshipment at such ports as London, Antwerp, Rotterdam, and Hamburg.

The East Asiatic Company had at the end of 1924 a fleet of 20 motor ships and 4 steamers of a combined net register tonnage of 94,577 tons. The interests of this company are chiefly with the Far East.

NATURAL RESOURCES OF DENMARK

A brief review of the natural resources and industries of Denmark is necessary in order that Canadian exporters may more clearly judge the openings which this country offers for the sale of Canadian products.

Denmark is a comparatively low-lying country, the highest elevation being only 564 feet, but in most districts the surface is more or less undulating. Geographically the country is divided into two parts, the peninsula of Jutland with

a total area of 30,000 square kilometres, and the Danish islands, the total area of which is 13,000 square kilometres. The largest of these islands are Zealand, on which Copenhagen is situated, with an area of 7,043 square kilometres; Funen (2,990); Lolland (1,244); Bornholm (587); Falster (514); and Moen (217).

The surface of Denmark belongs to comparatively recent geological epochs and consists for the most part of fertile clay soil, except along the western coast of Jutland, where there are extensive areas of sand dunes and heaths. Attention has been devoted to the afforestation of these heaths and considerable areas have been reclaimed to vegetation in the last eighty years.

The soil under cultivation on the Danish islands amounts to 10,993 square kilometres, and in Jutland to 22,005 square kilometres. The area under forests amounts to 1,339 square kilometres on the islands and 2,335 square kilometres in Jutland. About 94 per cent of the total land area of the islands and 83 per cent of that of Jutland may therefore be described as productive, while 76 per cent of the total area of Denmark is utilized for agriculture.

From the above description it is evident that the chief natural resources of Denmark are agricultural. The other resources are of minor importance. The extensive coastline gives exceptional facilities for fishing and the surrounding seas, as well as the inlets, sounds and straits, abound in fish, which provide an important contribution to the national income. The forest area of Denmark is comparatively small. Owing to afforestation in Jutland, the coniferous forests are now the most extensive, but beech is the prevailing tree in most districts and especially on the islands. Beech woods account for about one-third of the timbered area.

Denmark is very deficient in minerals and no coal or metals are mined. The only important industries of a mining character are the manufacture of Portland cement, bricks and tiles, and the extraction of flints.

DISTRIBUTION OF POPULATION

The total population of Denmark is 3,390,000, of which slightly over a million derive their livelihood from agricultural operations, while slightly less than a million, or 942,000, are engaged in industrial pursuits or are the dependents of those so engaged. Those occupied by the fisheries are estimated at 40,000. The remainder are those deriving their livelihood from commercial, administrative, or domestic occupations. The number of those economically active in industrial pursuits is estimated at 367,595 as against 474,629 for those actively engaged in agriculture, forestry, and the fisheries.

Denmark is unique in that it is a country with only one large city. The population of Copenhagen, including the suburbs, was estimated in 1924 at 728,105, or 21 per cent of the total population of the whole country. A similar proportion, or 739,483, live in eighty-five provincial towns, but of these the largest Aarhus, has a population of only 75,000. The rural population proper of Denmark is estimated at slightly under 1,500,000.

Copenhagen plays a predominant part in the commercial life of the country. The import and export trade and the greater part of the distributing trade are centred in the capital. Certain provincial towns in Jutland are important local distributing centres. Of these Aarhus, Aalborg, Horsens, Randers, and Esbjerg are worthy of mention, while Odense is the distributing centre for the Island of Funen. The following table gives the population of the Danish provincial towns with over 15,000 inhabitants:—

Aarhus, East Jutland	74,948	Vejle, East Jutland	22,364
Odense, Funen	51,359	Fredericia, East Jutland	18,235
Aalborg, North Jutland.. . . .	42,155	Kolding, East Jutland	17,062
Horsens, East Jutland	27,780	Elsinore, Zealand.. . . .	15,233
Randers, East Jutland	26,842	Viborg, West Jutland	15,091
Esbjerg, West Jutland	23,116		

With the exception of Viborg, all of the above towns are seaports.

TRADE CONDITIONS IN THE UNITED KINGDOM

TRADE COMMISSIONER HARRISON WATSON

London, May 14, 1926.—Writing immediately after the announcement made by the Trade Union Council that they have withdrawn the general strike order, it is manifestly impossible to make any definite statement about the position of trade in the United Kingdom. It is true that certain data regarding business, both domestic and foreign, during April are available, as well as the result of our own observations. Any conclusions which might otherwise be drawn from these are, however, completely discounted as regards the present and immediate future by the interruption of the general strike.

It therefore suffices to state that the general situation did not change materially in April, and a particularly satisfactory feature was the decline in unemployment to below 1,000,000, a figure which had not been reached since 1922.

Although the official general strike actually lasted only nine days, it has caused far-reaching disorganization in practically every direction, the result of which, it is feared, may adversely affect particular features, both in trade and industry, for a considerable time to come.

The magnificent response made by volunteers of every description, it is true, frustrated the complete object of the strikers, which was to create a suspension of the activities of the nation: circulation, public utilities, and publicity, as well as the holding up of industries and business.

Upon the other hand, the withdrawal by the unions of all members associated with transportation alone tied up the railway and the road services throughout the country, while the cessation of work by the dock labourers brought import and export trade to an absolute standstill, except for the volunteer services which were organized to keep the nation provided with food.

It seems certain that reorganization is going to occupy considerable time, and that the situation still bristles with difficulties.

It is quite impossible at the moment to estimate what the actual loss and cost will be, but the general impression is that the disaster will offset the immediate realization of trade improvement and tax reduction which seemed to be pending.

TRADE COMMISSIONER E. L. McCOLL'S ITINERARY IN CANADA

Mr. E. L. McColl, Canadian Trade Commissioner to the Argentine Republic, has recently returned to Canada after an absence of five years in South America, and is about to visit the manufacturing centres of the Dominion for the purpose of investigating business conditions and opportunities as far as these affect the market for Canadian products in South American countries. Before taking up his duties as Trade Commissioner in Buenos Aires, Mr. McColl for three years held a similar post in Rio de Janeiro, and is familiar with conditions not only in Brazil and the Argentine Republic, but with those in other countries of the South American continent. On his way to Canada Mr. McColl paid a brief visit to Chile, and made a more extended visit to Peru in the interests of Canadian trade. Canadian manufacturers and exporters who desire to be brought in touch with Mr. McColl, or to interview him, are requested to communicate with the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa.

The following is the first part of his itinerary:—

Bathurst	June 14	Charlottetown	June 23
Moncton	June 15	Quebec	June 25 to June 26
Halifax	June 16 to June 18	Three Rivers	June 28
St. John	June 19 to June 21	Montreal	June 29 to July 8

The second part of Mr. McColl's itinerary will be announced later.

SUMMARY OF THE TRADE OF CANADA: MONTH AND TWELVE MONTHS ENDING APRIL, 1926
(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of April, 1926				Twelve Months ending April, 1926			
	Total Imports	From United Kingdom	From United States	Total Exports	Total Imports	From United Kingdom	From United States	Total Exports
	\$	\$	\$	\$	\$	\$	\$	\$
<i>Imports for Consumption</i>								
Agricultural and Vegetable Products.....	14,292,977	2,345,220	7,191,199	606,336,678	205,682,894	34,595,191	100,460,364	67,463,800
Animals and Animal Products.....	3,755,526	539,465	2,233,326	189,931,147	49,812,544	5,632,155	33,431,055	62,866,832
Fibres, Textiles and Textile Products.....	12,778,967	4,825,567	4,712,935	286,821,437	184,373,026	69,989,922	77,728,784	4,558,933
Wood, Wood Products and Paper.....	3,160,455	253,543	2,707,530	286,321,420	40,882,195	3,540,043	35,096,888	238,892,320
Iron and its Products.....	16,705,307	1,070,486	15,227,020	75,365,973	184,941,517	18,164,101	161,212,061	7,994,960
Non-Ferrous Metal and their Products.....	3,272,946	374,755	2,622,748	99,242,039	47,977,423	5,335,194	39,094,327	57,276,915
Non-Metallic Minerals and their Products.....	8,180,338	532,571	7,127,976	24,736,018	140,372,685	14,453,545	111,571,044	17,888,530
Chemicals and Allied Products.....	2,242,721	345,663	1,532,626	1,059,718	28,521,120	4,361,908	18,771,004	8,930,375
Miscellaneous Commodities.....	3,412,016	574,822	2,409,313	453,295	53,635,330	7,962,303	38,186,010	10,252,129
Totals, 1926.....	67,801,253	10,862,092	45,764,671	936,099,334	936,099,334	164,034,362	615,740,747	475,614,794
Totals, 1925.....	59,104,651	10,538,161	39,849,007	795,864,047	795,864,047	151,372,989	507,327,203	420,196,336
1924.....	60,173,141	10,049,118	42,101,813	885,358,688	885,358,688	151,983,679	596,449,141	429,257,400
<i>Exports (Canadian Produce)</i>								
Agricultural and Vegetable Products.....	22,096,365	8,605,997	3,898,910	606,336,678	606,336,678	354,287,596	67,463,800	67,463,800
Animals and Animal Products.....	6,851,126	2,885,764	3,154,459	189,931,147	189,931,147	98,659,222	62,866,832	62,866,832
Fibres, Textiles and Textile Products.....	254,876	64,672	100,369	286,821,437	286,821,437	1,234,451	4,558,933	4,558,933
Wood, Wood Products and Paper.....	17,564,687	552,301	15,044,566	286,321,420	286,321,420	19,148,343	238,892,320	238,892,320
Iron and its Products.....	5,197,336	450,989	978,566	75,365,973	75,365,973	8,461,968	7,994,960	7,994,960
Non-Ferrous Metals and their Products.....	4,538,596	674,089	2,060,355	99,242,039	99,242,039	15,057,100	57,276,915	57,276,915
Non-Metallic Minerals and their Products.....	1,413,371	30,696	1,059,718	24,736,018	24,736,018	1,142,814	17,888,530	17,888,530
Chemicals and Allied Products.....	936,626	171,693	453,295	1,059,718	1,059,718	3,267,005	8,930,375	8,930,375
Miscellaneous Commodities.....	1,313,885	325,382	645,713	16,687,307	16,687,307	3,698,234	10,252,129	10,252,129
Totals, 1926.....	60,166,868	14,001,301	27,998,145	1,315,450,282	1,315,450,282	504,956,733	475,614,794	475,614,794
Totals, 1925.....	59,909,377	17,294,644	27,273,379	1,080,995,816	1,080,995,816	402,673,531	420,196,336	420,196,336
1924.....	48,880,914	10,404,346	24,494,187	1,040,589,719	1,040,589,719	356,914,472	429,257,400	429,257,400
<i>Exports (Foreign Produce)</i>								
Totals, 1926.....	748,500	21,687	668,581	13,293,382	13,293,382	1,023,341	10,909,633	10,909,633
Totals, 1925.....	799,173	26,929	723,816	12,455,933	12,455,933	1,290,779	9,982,485	9,982,485
1924.....	637,850	60,765	508,850	13,383,946	13,383,946	1,132,590	10,850,153	10,850,153
<i>Excess of Imports (i) or All Exports (e)</i>								
1926.....	6,896,176	3,161,396	17,097,945	(e) 392,644,330	(e) 392,644,330	(e) 341,945,712	(i) 129,216,320	(i) 129,216,320
1925.....	1,603,809	6,783,412	11,851,812	(e) 296,687,702	(e) 296,687,702	(e) 252,391,321	(i) 77,348,382	(i) 77,348,382
1924.....	10,654,687	476,193	17,098,796	(e) 168,594,977	(e) 168,594,977	(e) 206,063,383	(i) 156,341,588	(i) 156,341,588

COMMERCIAL NOTES FROM NEW SOUTH WALES

COMMERCIAL AGENT B. MILLIN

Motor Progress in Australia

Sydney, May 6, 1926.—The growth in popularity of motoring in Australia during the past three years has been remarkable. An examination of the latest statistics discloses the fact that, with a population of 6,000,000, there are some 250,000 cars in use.

With the gradual dropping in price in this country, and the wealth of Australians individually, there yet appears to be a big potential market for moderate-priced cars in the Commonwealth, although many persons express the opinion that saturation point is approaching. In the State of New South Wales alone the sales have been remarkable. In November last the highest number registered was 85,000, but early this month the number of 100,000 was registered. These numbers refer to cars alone and not to commercial vehicles.

Motor Car Imports into Australia

Motor cars and their accessories represent the largest individual item of imports into Australia. For the year 1924-25 imported vehicles and their accessories were valued at more than £15,000,000, and of this amount (which was £1,000,000 above the 1923-24 total) motor cars were responsible for £11,603,000, against £6,631,971 in 1922-23. The customs revenue received in 1924-25 from the importation of motor cars, chassis, accessories, cycles, petrol, etc., totalled £3,684,347.

For a considerable time closed cars were not viewed with great favour, but there is no doubt they are becoming increasingly popular. Most of the enclosed cars are of North American manufacture, but cars of British manufacture in general have efficient weather-proofing devices of a detachable kind developed to cope with the vagaries of the English climate.

Motor trucks are increasing in popularity, and the light van has of recent years revolutionized the delivery of goods. Commercial trucks to cope with the haulage of wool, wheat, timber, heavy and bad country roads are also in much greater use, and there is an increasing demand for bus chassis.

In the highly important matter of prices, American manufactures are beginning to feel the stress of British competition more especially in light cars up to 16 horse-power.

Australian Liquid Fuel Supplies

With the exception of approximately 1,000,000 gallons of benzol extracted as a by-product from the resources of various manufactories in New South Wales, all liquid fuel supplies are imported.

Recently a commission was appointed by the Commonwealth Government to inquire into oil possibilities of the continent, by whom continuous research work is advocated. The Commission found that Australia undoubtedly possesses many sources from which liquid fuels might be derived. The oil shale deposits in Australia and Tasmania are stated to be the richest in the world, but as long as ample supplies of mineral oil are available production of oil from shale could not be regarded seriously as a commercial undertaking, conditions of competition being so unequal. A considerable amount of money has already been spent in endeavouring to utilize shale deposits, but notwithstanding a liberal bounty on production, the industry has not flourished. It was stated that on a conservative estimate the amount of oil in the known deposits of Australia would only suffice to supply the Commonwealth's requirements at the

present rate of consumption for a period of twenty-five years. A recommendation was added that these deposits should be regarded purely as a national reserve to be conserved against the time when supplies from overseas might be threatened.

In the meantime energetic efforts are being made to discover oil in Australia and the mandated territory of New Guinea. Geological evidence in Australia is not altogether encouraging. At Orilla in Queensland where two bores were put down and discontinued owing to accidents to the boring plant, preparations are now being made for sinking a third bore.

Cotton Production in Queensland

The prolonged drought from which the State of Queensland suffered during the summer months seriously affected the cotton crop. It was anticipated that the yield, notwithstanding the adverse conditions, would total in the neighbourhood of 13,000,000 pounds, and this may yet be realized. Deliveries to the ginneries up to date are approximately 6,000,000 pounds. With a declaration of a Government bounty of 2 pence per pound, it is expected that the area under cultivation next year will be doubled. Although the climate of Queensland and some parts of New South Wales is eminently suited to the cultivation of cotton, seasonal conditions during the last few years have been very discouraging.

Australian Sugar Production

The estimate of the Queensland sugar crop for 1925 is now placed at 484,000 tons of raw sugar. In addition to this amount it is anticipated that New South Wales will produce 32,000 tons, and Victoria's yield of beet sugar will be about 3,017 tons. This should thus give an approximate production for Australia of 519,017 tons sugar. The figures for the 1924 season were: Queensland, 409,136 tons; New South Wales, 16,289 tons; and Victoria, 3,500 tons. The consumption of raw sugar per capita is given at 138 pounds. This on a basis of 6,000,000 as the population of Australia, would equal 369,000 tons. There should thus be an exportable surplus this season of about 150,000 tons.

COTTON GROWING IN ARGENTINA

It is by this time evident that if the future of the Argentine cotton-growing industry is to approximate to the expectations formulated in 1924, when a very good crop was harvested on a "record" area, the country will need to modify its methods and to "make haste slowly." The comparative failure of the 1924-25 crop was attributed in a large measure to unfavourable climatic conditions which exposed the plantations to insect pests and fungus growths, but the fact remains that the increase in the area planted in that year was too sudden to be supported by the necessary improvement of methods, and, quite apart from the consequences of the drought, considerable harm originated in the fact that a large proportion of planters, rendered over-daring by the results of the previous crop, planted far more than they could look after or harvest. The big increase in the area planted in 1924-25 (105,000 hectares against 62,700 hectares in 1923-24) was ill-rewarded in terms of tons produced (48,600 against 43,860). Now the area planted for the 1925-26 season is 110,300 hectares and the prospects for the year's crop are anything but favourable.

ARGENTINE MARKET FOR REFRIGERATORS

D. FORSTER AND JULIO MOREIRO, OFFICE OF THE CANADIAN TRADE COMMISSIONER

Buenos Aires, April 23, 1926.—A number of inquiries have been received recently regarding the possibility of selling Canadian refrigerators in Argentina. A complete investigation has therefore been made, but it cannot be said that prospects are excellent, although a certain amount of business might be obtainable. Argentina is a semi-tropical country with a population of 10,000,000, and there is a constant demand for refrigerators, ice being readily obtainable at a reasonable price. Local manufacturers, however, are competing strongly with the imported article.

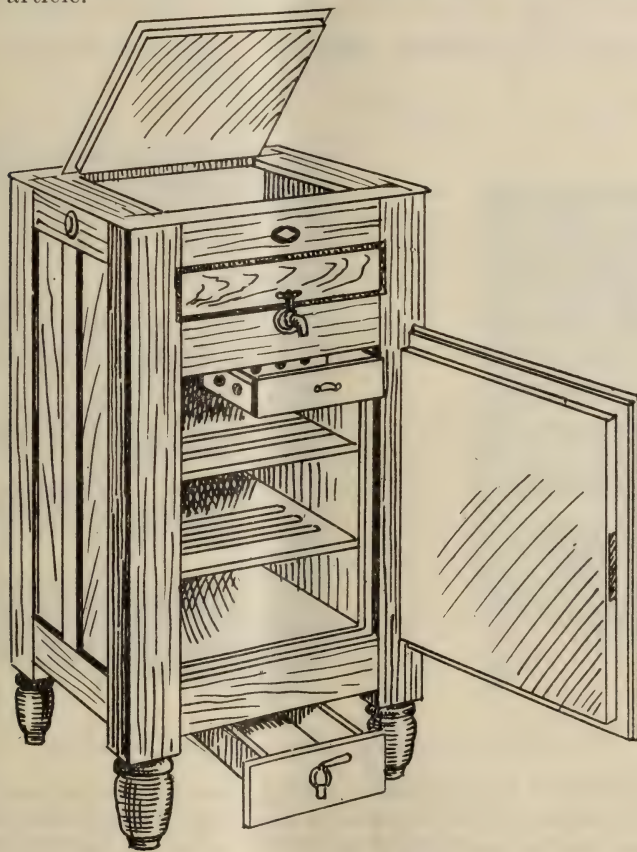


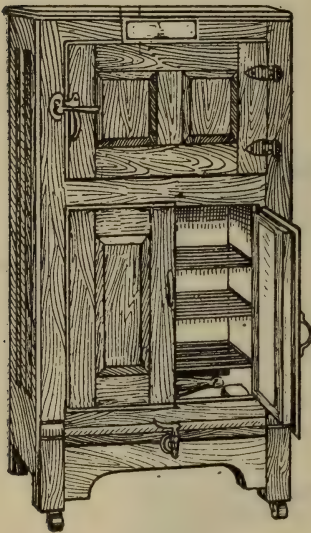
Illustration No. 1.—German-made Refrigerator with large demand.

Government statistics of import trade show a steady increase until 1923, when 5,978 refrigerators were imported. During 1924, however, only 2,054 came in, which is probably explained by the fact that import duties were increased in the last month of the year 1923, thus greatly assisting the local industry. Figures for 1925 show an improvement to 2,961, and it is generally anticipated that this year will be on a similar level. The principal source of supply is Germany, which is credited with 60 per cent (1,790) of the trade in 1925, followed by the United States with 30 per cent (934), and by Belgium to the number of 201.

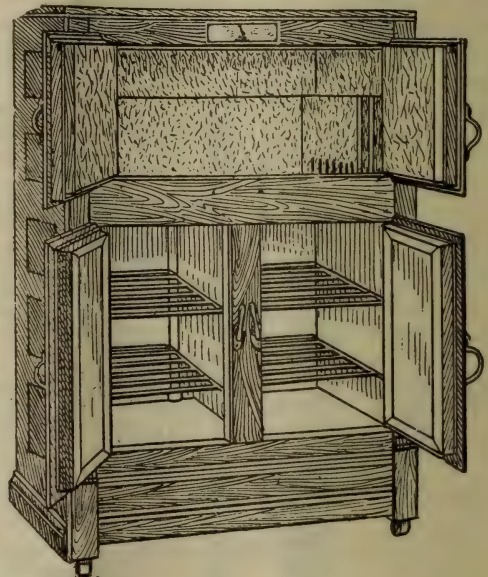
The Argentine demand appears to be principally for an ice chest for domestic use, as illustration No. 1, 40 inches high by 23 inches wide, the interior galvanized or enamelled, top and front doors, made in polished oak, and with

nickelled brass fittings. Illustrations Nos. 2 and 3 show two other popular types of refrigerators. The insulation generally preferred is of hair, although other materials, including cork scrap, are used. Small-size chests are usually packed two in a case, and larger sizes one to a case. They should always be well protected with paper wrapping. Attempts have been made to introduce metallic cylindrical ice chests and also electrically operated refrigerators, but these have not yet met with success.

Approximately fifteen foreign and ten local manufacturers are competing for business in refrigerators in Argentina, but probably only half of the latter are working on a commercial scale. Locally-made machines generally are based on the North American pattern, which has been copied successfully. Germany has obtained the largest portion of this market mainly on account of the cheapness of its product. One German refrigerator which is being sold at a price far below others is very popular and efficient. English and American manufacturers, although turning out a superior article, are not obtaining much business on account of the severe competition of the German and locally-made product.



No. 2



No. 3

American-made Refrigerators of Types suitable for this Market.

Definite prices of refrigerators for the purpose of comparison could hardly be given as each different one requires to be judged on its merits, but it may be mentioned that the German article referred to above is being offered at about \$10 c.i.f. Buenos Aires. Another point which is assisting the introduction of German refrigerators is that exporters have carefully studied the needs of the market and are generally willing to agree to ship on a basis of 90 or 120 days' sight draft or even on consignment, according to the financial standing of the importer.

The only feasible way of selling refrigerators in Argentina is to have a sample on hand for demonstration purposes. Any Canadian manufacturer who wishes to find out definitely if there is a market for his products would require to send a sample on consignment and be prepared to receive only part of its value in case it could not be sold at a profit. The Canadian Trade Commissioner at Buenos Aires will be pleased to assist any Canadian manufacturer who is prepared to go into the matter thoroughly. The fullest possible information should be supplied, outlining also the general export policy of the firm and sending catalogues, leaflets, and c.i.f. Buenos Aires prices.

PERU AS A MARKET FOR CANADIAN PRODUCTS

TRADE COMMISSIONER E. L. MCCOLL

[Subjoined is the seventh of a series of reports on Peru, which has been prepared by Mr. McColl after a recent visit to that country, in which he investigated the openings for Canadian trade. Those on Wheat and Flour and other Foodstuffs were published in Nos. 1160 and 1161; on Tools and Hardware, Machinery, and Vehicles in No. 1163; on Lumber and Paper in No. 1164; on Iron and Steel and Miscellaneous Products, on Peculiarities and Difficulties of the Market, and on Trade of Canada with Peru, in No. 1165; and that on the Tariff, Documentation, etc., in No. 1162. The Peruvian pound has been calculated at \$4 Canadian currency, a fair average value covering the last three years.]

Finance: Currency; Budget; Exchange; Banking

PERUVIAN CURRENCY

Previous to 1863 the currency was represented by the Spanish silver dollar of 8 reales, but under laws of 1863 and 1872 the silver sol of 25 grammes weight 0.900 fine became the legal unit. Divisions of the sol created under the same laws were the half sol, 20 centavos, 10 centavos, and 5 centavos. This currency remained unaltered until 1898. From 1872 onwards the price of silver depreciated until the sol had fallen from 48 pence, where it first stood, to approximately half its value, where it became stable. Finally under laws of 1897 and 1901 the Peruvian gold pound, exactly equivalent in value to the pound sterling, became the legal unit. The silver sol was retained at a tenth the value of the pound.

After the conclusion of the Great War the silver sol commenced to disappear from circulation, on account of which the law of 1922 was created permitting the minting of soles and half-soles with silver of 0.500 fine instead of 0.900.

Peruvian currency is therefore a modification of the English system. Instead of consisting of pounds, shillings and pence the units are pounds, soles and cents (libros, soles and centavos), the symbols being £p. s. c. For example 3 pounds 7 soles and 45 cents would be written £p.3.7.45 . There are 100 centavos to 1 sole and 10 soles to 1 pound.

The following are the metal and paper denominations in use with par value of the £p. and sol:—

		==Peruvian Currency	==Peruvian Currency	==Canadian Currency
Gold Coins				
Pound	.. . . . .	10 soles	1000 centavos	\$4.86 $\frac{1}{2}$
Half pound	.. . . . .	5 soles	500 centavos	2.43 $\frac{1}{2}$
Fifth pound	.. . . . .	2 soles	200 centavos	0.97 $\frac{1}{2}$
		Silver Coins	Copper Coins	Paper Notes
Silver Coins				
0.900 fine				
$\frac{1}{2}$ sol	.. . . . .	sol	2 centavos	£p.10
20 centavos (peseta)	.. . . . .	$\frac{1}{2}$ sol	1 centavos	5
10 centavos (real)	.. . . . .	5 centavos	....	1
5 centavos (medio)	.. . . . .	....	....	$\frac{1}{2}$
Silver Coins				
0.500 fine				
$\frac{1}{2}$ sol	.. . . . .	20 centavos	2 centavos	£p.10
20 centavos (peseta)	.. . . . .	10 centavos	1 centavos	5
10 centavos (real)	.. . . . .	5 centavos	....	1
5 centavos (medio)	.. . . . .	....	....	$\frac{1}{2}$

Until the outbreak of the Great War of 1914, Peru had not issued any paper notes, all internal balances being liquidated by gold or silver coin. In international exchange the Peruvian pound remained at par or rather stabilized within the shipping and receiving points of gold, there being always a sufficient quantity on hand to meet all demands for foreign remittances. Statistics showed that for many years there existed a continual favourable balance of merchandise trade which probably more than offset Peru's invisible obligations, thereby still leaving a credit in her favour in the equation of international payments.

With the outbreak of the Great War the hoarding of gold and silver coin in Peru threatened a complete dislocation of business. The strength of the currency proved to be its weakness as, on account of its intrinsic value, it was fast disappearing from circulation. The Government, on the advice of and working in conjunction with the Lima banks, passed a law in 1914 authorizing the

different banks to issue paper notes (*cheques circulares*) under a guarantee of 20 per cent gold supplemented by first-class collateral paper, the total amount exceeding the paper issued. The gold security finally grew until in 1922 it stood around 90 per cent. The law provided at the same time for the formation of a supervisory body called the "Junta de Vigilancia," which was held responsible for and had complete control over its operation.

Foundation of Bank of Peru.—In 1922 the Government, acting upon the combined advice of the banks, authorized the foundation of the Banco de Reserva del Peru (the Reserve Bank of Peru), to take over the function of the Junta de Vigilancia, as it was felt that the time had arrived when the emergency commission governing the issue of paper currency should be replaced by an institution of a permanent nature. The Banco de Reserva del Peru resembles in many ways the Federal Reserve Bank of the United States. In fact, it is said that the then Minister of Finance made a careful study of the North American institution at the time when the creation of the Reserve Bank was being discussed by the Government of which he was a member. This new bank has an authorized capital equivalent to eight million dollars, one-half of which is held by the public and the other half by the Lima banks. The directors, numbering ten, include the Minister of Finance at the head, three other Government members, and six representatives from the banks.

The functions of the Reserve Bank of Peru include the exclusive right of note issue as well as other duties of the Junta de Vigilancia, which it took over on April 4, 1922. The outstanding paper (*cheques circulares*) issued by the Lima banks under the supervision of the Junta Vigilancia was to be withdrawn gradually from circulation, being replaced at the same time by notes of the new institution. The Reserve Bank also acts as a clearing house for the other banks, as a rediscount institution, and it is at the same time allowed to operate in the foreign exchange market with a profit-making object.

THE BUDGET

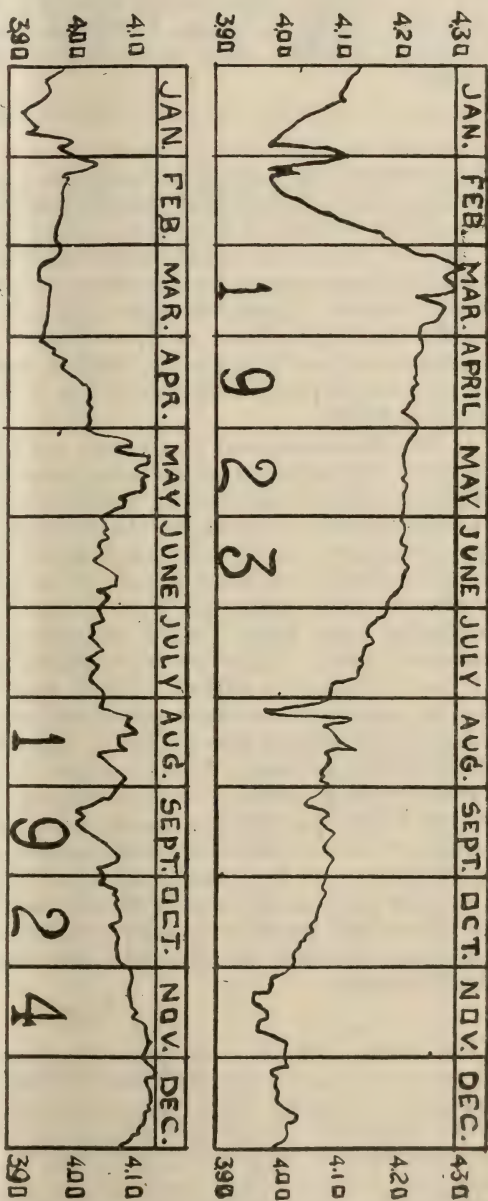
The annual budget comes under Law No. 4598 of October 30, 1895, which is given in full detail each year in the opening pages of the budget report. Among other things it lays down that on June 1 of each year the Minister of Finance will estimate the revenues of the state for the ensuing year, at the same time advising the other ministers of the Government of the amount and the portion which pertains to each of their respective departments. Each minister is then required to make up an estimate of his expenditure for the coming year and to communicate it to the Minister of Finance not later than July 15. The Minister of Finance will then prepare his budget, which must be brought before and approved by the Cabinet Council in time to be submitted to the Chamber of Deputies not later than August 31.

Estimated revenue and expenditure as estimated in the budget of 1926 totals \$39,051,000. The principal sources of revenue are: direct taxes, \$2,610,000; indirect taxes (including import and export duties), \$24,688,000; monopolies and concessions, \$7,744,000; Government undertakings, \$2,051,000.

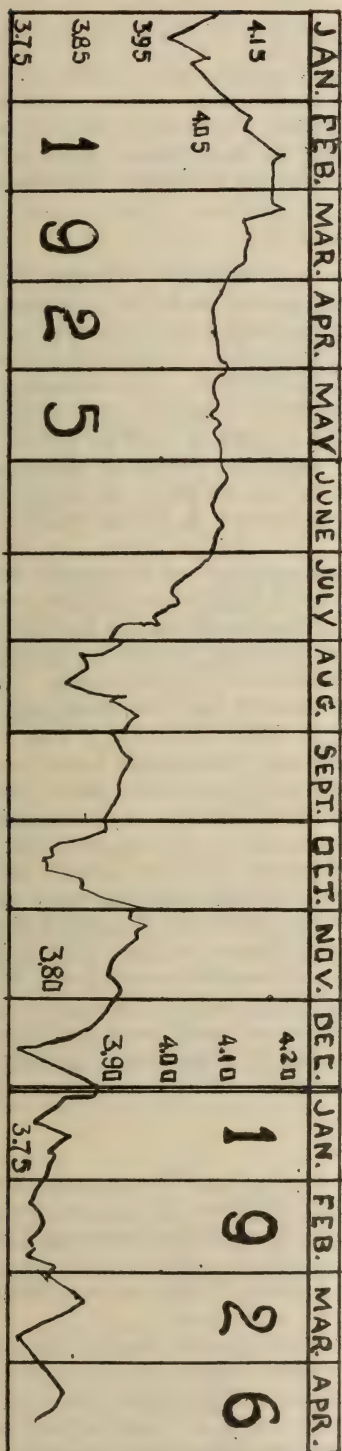
Principal expenditures are estimated as follows: The Senate, \$292,000; House of Deputies, \$808,000; District Councils, \$79,000; Department of Government (National Police, Post Office, Telegraph, etc.), \$6,304,000; Department of Foreign Affairs, \$1,009,000; Department of Justice, \$5,576,000; Department of Finance and Commerce, \$14,692,000; Department of War, \$4,591,000; Department of Marine, \$1,645,000; Department of Internal Affairs, \$4,055,000.

Since 1911 the revenue of six years has exceeded expenditure, while the remaining years show a deficit. The total balance for all years, however, shows a surplus of revenue over expenditure of about \$4,500,000. For 1911 estimated revenue and expenditure was \$11,138,000; for 1916, \$12,388,000; and for 1921, \$29,620,000.

PAR VALUE OF PERUVIAN
Pound is \$4.86 $\frac{2}{3}$.



NEW YORK SIGHT RATES
COVERING 40 MONTHS
ENDING APRIL
1926.



STATE OF THE PUBLIC DEBT ON JUNE 30, 1925

(Extracted and translated from Balance y Cuenta General de la Republica, Lima, 1925)

The public debt as on June 30, 1925, stood at \$57,378,000, of which \$25,849,000 was foreign debt and \$31,529,000 domestic debt. The following are the items: internal consolidated debt, \$14,315,000; loans (majority foreign), \$27,007,000; owing to banks, \$1,463,000; owing to the national tax-collecting company, \$6,211,000; other loans, \$2,271,000; claims, \$505,000; floating debt, \$5,606,000.

EXCHANGE

Previous to 1914 there had been little or no trouble from exchange. During the previous twelve years it had only once gone as low as \$4.71. On the commencement of the World War foreign remittances were in such demand, with a corresponding offering of Peruvian pounds, that the latter commenced to tumble. On August 8, 1914, the exportation of gold was prohibited. The following year Peruvian currency commenced to improve until early in 1916 it went above par. In 1920, however, it again commenced to fall, and in 1921 it went as low as \$3.15 for thirty-day sight drafts on New York. In 1922 the Peruvian pound again strengthened and early in March, 1923, it went as high as \$4.32, as shown in the graph on another page. Since that time it has continued to decline until to-day it stands at \$3.80.

At the commencement of the war the inconvertibility of the newly created paper notes, the embargo on the exportation of gold, together with the excessive demand for foreign remittances, were reasonable explanations for the depreciation of the republic's currency. To-day there is a strong favourable balance of trade. Commerce is extending and national industries are increasing, yet the Peruvian exchange continues to fall. This circumstance can be understood when it is reflected that, during the first six months of 1925, the country was visited by torrential rains which caused tremendous damage throughout large areas of agricultural lands. Railways were disorganized and could not move produce which had collected for export. Traffic was obstructed so that both ingoing and outcoming merchandise could not reach its destination. It has been officially stated that the repairs due to floods cost the Central Railway nearly one and one-half million dollars. Another cause for depreciated exchange may be the fact that cotton-growers have been holding for higher prices, causing a scarcity of foreign bills. Yet another important adverse influence on the value of Peruvian currency is the unsettled political situation in connection with the Tacna-Arica plebiscite and the consequent uncertainty which such an influence causes.

In spite of these adverse circumstances, which are considered by Peruvians as only transient, trade is becoming brisker, producers, merchants, bankers, and railway men one and all optimistic and speaking in enthusiastic terms of the republic's future.

BANKING

The banks of Peru come under the supervision of the Government department known as the *Inspeccion Fiscal de Bancos y Seguros* (Fiscal Inspection of Banks and Insurance), but there is no banking law such as exists in Canada with the exception of various Government or executive decrees which have not been submitted to Congress. Apart from these decrees, banks are controlled by the same laws under which companies or corporations operate.

There are eleven banks operating in Lima, of which the Banco del Peru y Londres (Bank of Peru and London) and the Banco Italiano (Italian Bank) are the strongest. The first, with a paid-up capital of \$2,000,000, was founded in 1863 principally to serve local British interests. It is a Peruvian institution and has no less than fifteen branches scattered throughout the country. The Banco Italiano was established in 1889 and has become, with the Italian colony

as its main clientèle, the strongest bank in Peru, although the Banco del Peru y Londres is following a very close second.

The Royal Bank of Canada, with branches in Lima, Chiclayo, Trujillo, and Piura, is making creditable progress since it took over the business of the Mercantile Bank of the Americas. These branches are doing an immense amount of good towards advertising Canada in this rapidly developing republic.

The Banco de Reserva del Peru, described elsewhere, while not as important an institution as some of the others from a point of commercial business, stands at the head of Peru's banking system.

The following bank statement, published March 23, 1926, is the latest one issued by the Government:—

GOVERNMENT STATEMENT OF PERUVIAN BANKS FOR SEPTEMBER 30, 1925, PUBLISHED
IN THE BULLETIN OF THE LIMA STOCK EXCHANGE, MARCH 17, 1926

Assets in 1,000 of Canadian Dollars

Founded	Name of Bank	Gold in London or Lima)	Cash	Debit Current Accounts	Real Estate	Collections, etc.	Total Assets
1863	Banco del Peru y Londres ..	....	4,521	23,513	1,094	7,930	37,058
1868	Caja de Ahorros (Savings Bank) .. . . . . .	....	247	5,590	109	132	6,078
1899	Banco Italiano .. . . . . .	....	5,468	21,093	240	9,616	36,417
1897	Banco Internacional del Peru ..	....	515	2,203	8	42	2,768
1899	Banco Popular del Peru .. . .	....	794	3,582	17	232	4,625
1905	Caja de Deptos. y Consig- naciones (Government Ju- dicial Trust Deposits) ..	....	692	2,749	257	467	4,165
1905	Banco Aleman Transatlantico ..	....	2,824	7,238	152	2,741	12,955
1920	Banco Anglo Sud-Americano ..	....	1,644	2,736	59	3,212	7,651
1920	National City Bank of New York .. . . . . .	....	3,259	2,550	....	2,615	8,424
1921	Banco de Reserva del Peru .	19,931	45	9,377	4	295	29,652
1925	Royal Bank of Canada .. . .	....	1,870	3,205	....	2,180	7,255
		19,931	21,879	83,836	1,940	29,462	157,048

Liabilities in 1,000 of Canadian Dollars

Founded	Name of Bank	Capital and Reserves	Paper Currency	Deposits and Accept.	Liabilities including Collections	Total Liabilities
1863	Banco del Peru y Londres..	4,271	....	18,488	14,299	37,058
1868	Caja de Ahorros (Savings Bank) ..	350	....	4,668	1,060	6,078
1899	Banco Italiano ..	4,357	....	21,430	10,630	36,417
1897	Banco Internacional del Peru ..	583	....	1,994	191	2,768
1899	Banco Popular del Peru ..	1,052	....	2,387	686	4,625
1905	Caja de Deptos. y Consignaciones (Gov- ernment Judicial Trust Deposits) ..	904	....	3,207	54	4,165
1905	Banco Aleman Transatlantico ..	800	73	9,377	2,705	12,955
1920	Banco Anglo Sud-Americano ..	800	....	3,500	3,351	7,651
1920	Nacional City Bank of New York ..	800	....	1,938	5,686	8,424
1921	Banco de Reserva del Peru ..	1,745	24,270	3,171	466	29,652
1925	Royal Bank of Canada ..	800	....	2,183	4,272	7,255
		16,462	24,343	72,843	43,400	157,048

GROWTH OF BANKING IN PERU

The following table illustrates the growth of banking in Peru since 1897:—

(On account of lack of space every fifth year only is shown, in \$1,000 Canadian currency)

Year	Number of Banks	Capital	Reserve	Deposits	Loans, Advances, etc.	% to Capital Reserves and Deposits	Cash in Hand	Cash in Hand to Deposits
1897..	4	1,500	64	5,486	4,410	62.5	2,010	36.6
1902..	5	2,288	545	8,996	9,109	77.0	2,111	23.6
1907..	7	5,400	1,891	16,138	16,494	70.4	3,620	22.4
1912..	7	5,000	2,103	30,656	25,557	67.7	6,243	20.4
1917..	8	5,400	1,831	31,612	21,986	56.6	12,707	40.2
1922..	11	7,620	2,757	53,562	43,135	67.5	10,688	20.0
1924..	12	9,390	3,355	67,094	54,404	68.1	12,937	19.3

ITALIAN INDUSTRIES AND FOREIGN TRADE DURING 1925

ACTING TRADE COMMISSIONER JEAN J. GUAY

Milan, May 18, 1926.—Italy's industrial activity during 1925 greatly developed in almost all the lines of manufactures. This rapid growth is evidenced by the increased imports of raw materials and coal, the development of plants for utilization of electric power, and the demand for larger investment of capital. The increased exports of manufactured goods, the intensified railway and ocean traffic, and the steady fall of unemployment from month to month are additional evidences of this enlarging productivity.

The cotton and woollen industries were very active and working in full, but on the other hand the condition of the silk industry has not been so satisfactory owing to the smaller production of cocoons on account of the unfavourable weather conditions experienced during the season. The knitting industry was kept busy both for home consumption and export. The metal and mineral industry improved considerably and marble manufactures greatly contributed to the export trade. The production of steel is stated to have surpassed the output of the war period.

The following table shows both in quantity and value the extent of the foreign trade of Italy in 1925.

<i>Imports</i>				
	1924	1925	Increase	Percentage
Value (in million lire)	19,379.7	26,156.9	6,777.2	28
Metric tons (net)	20,934,258	22,664,718	1,730,460	12

<i>Exports</i>				
	1924	1925	Increase	Percentage
Value (in million lire)	14,370.9	18,274.6	3,903.7	36
Metric tons (net)	4,637,642	4,787,325	149,683	3

The unfavourable balance therefore stood at 7,882.3 million lire as compared with 5,009.8 million lire in 1924. The adverse balance of 1924 represented 7 per cent of the total foreign trade; that of 1925 6 per cent.

Textiles were the outstanding item in Italian export standing at 8,358.2 million lire, followed by food products at 4,611.0 million lire. Food and animal products held first place in the import trade.

AUTOMOTIVES IN HOLLAND

TRADE COMMISSIONER FREDERICK H. PALMER

Rotterdam, April 17, 1926.—Owing to the condition of the roads, the advent of the automotive found Holland unprepared for such traffic, but war-time restrictions prevented any extensive use of this equipment during the period of hostilities, and Dutch engineers were able to give thought to the problems of adequate highway provision. Unfortunately during the two years after the war the Government's financial resources were expended in other directions and the highways, while not deemed to be less than of primary importance, did not receive the attention they deserved in view of the development of fast-moving motor transportation. After an agitation extending over some years, the first Dutch Road Congress was held at The Hague in September, 1920, when the whole question of motor traffic was discussed. But the fixed determination of successive Governments to maintain a balanced budget postponed the carrying out of the admirable road construction programmes developed out of the discussion at the congress; and a great deal of interest has been aroused through the announcement made by Jhr. Mr. de Geer, the head of the new Government, that the provision of adequate state road systems would now receive consideration.

STATISTICS OF MOTOR CARS AND TRUCKS

A table compiled by the Royal Netherlands Automobile Club gives the following statistics of the number of motor cars and trucks in use in the Netherlands for the years 1920 and 1925:—

Year	Passenger Automobiles	Trucks	Total
1920	14,765	3,652	18,417
1921	17,357	4,500	21,857
1922	20,158	6,350	26,508
1923	25,300	10,180	35,480
1924	32,500	15,375	47,875
1925	38,600	18,375	56,975

The 38,600 passenger cars in this country at the end of 1925 were distributed at the approximate rate of one car for every 200 of the population—an extremely low proportion compared with North American standards or with some European countries. The ratio, including trucks, is one to 135, as compared with one to 130 for Switzerland, one to 81 for Belgium, and one to 68 for France and Denmark. In Ontario and the state of New York it is estimated that there is an average of one motor vehicle for every 9 persons, one car for each 8.28 of population in Massachusetts, and one car for each 4.29 in Iowa.

PURCHASING POWER OF THE MARKET

Any survey of an automotive market must consider the character and incomes of the population. For the tax year 1921-22, 22,865 individuals declared their incomes as between 10,000 and 20,000 guilders, and 13,036 as over 20,000 guilders. Subsequent poor business conditions depressed these figures to 18,330 and 9,190 respectively during the tax year 1923-24. Thus from tax returns it would seem that 35,901 persons in 1921-22 and 27,520 in 1923-24 were receiving an income of \$4,000 per year at least, and could consequently be regarded as actual or prospective owners of automobiles.

FINANCING ARRANGEMENTS

From the statistics it will be seen that there is in the Netherlands a large middle class of potential automobile purchasers. Arrangements now exist which facilitate the distribution of automotive equipment on a "hire purchase" basis—a method recognized by Dutch law, the general stipulation being that the property will not pass until the last instalment has been paid.

An initial payment of one quarter of the invoice price is usually made by the purchaser, who also pays to the financing house an insurance premium and a commission on the invoice value. This commission is generally the maximum allowed, 6 per cent of the invoice. The full invoice value is then paid to the importer or dealer, whose financial connection with the sale is then complete. As far as Ford financing is concerned, this commission consists of a charge of 10 florins to cover lamps, taxes, etc., and an interest charge of 6 per cent on the unpaid balance, which consists of three-fourths of the total invoice amount, 25 per cent being paid down.

A certificate of origin of the vehicle the purchase of which is being financed is retained by the financial firm, so that it is only possible to drive it over the border with special permission. Partial payments of the difference owing to the company are then made at regular intervals, usually monthly and spread over a minimum period of one year. A defaulting clause in the agreement provides that the purchaser is liable for the difference between the invoice value and an appraised value of the vehicle less the payments made, and a defaulting purchaser must further pay to the financial house an "indemnity" usually amounting to 10 per cent of the total cost. This method of financing is becoming more and more recognized as adequate for its purpose.

SECOND-HAND CARS AS PART PAYMENT

The strenuous competition which exists in Holland among dealers and distributors is forcing some of them at least to adopt the practice of accepting second-hand cars as part payment of new equipment. And there is reason to believe that this practice is being carried to such extremes that the commissions of dealers are being seriously curtailed. It has apparently become so easy to secure new cars under this arrangement that the market for turned-in cars is more than over-supplied. It is to be expected that to effect sales a dealer may be inclined to grant a higher value on a car to be turned in than the car was actually worth, and the position of the second-hand market to-day is such that few dealers who engage in the practice of accepting turned-in cars as part payment realise on resale anything like the value at which they appraised the old car when making the sale.

DISTRIBUTION IN HOLLAND

The following table shows the increase in the number of motor vehicles in use and of the imports in each year from 1921 to 1924. (In 1925 the annual increase in number was not as great as in 1924, although a greater number of cars was imported.)

Year	Increase in Number in Use			Imports		Chassis	
	Total	Cars	Trucks	Complete Cars	Trucks	Cars	Trucks
1921	3,440	2,592	848	2,843	728	269	287
1922	4,651	2,801	1,850	3,086	988	237	1,120
1923	8,972	5,142	3,830	5,544	420	371	3,911
1924	12,395	7,200	5,195	7,984	465	605	5,807
1925	9,100	6,100	3,000	9,232	276	1,004	4,655

ANNUAL AUTOMOBILE EXHIBITION

The increasing interest being taken in Holland in automotive equipment is annually reflected in the increasing success of the automobile show, held each year in Amsterdam during January. It is doubtful if any other automobile show offers as great a variety of makes and models to its visitors as does the Amsterdam exhibition. Parenthetically the number is an accurate gauge of the intensity of the competition.

At the last show 305 different completed cars were exhibited on 59 different chassis, as compared with 271 in 1925 and 229 in 1924. These exhibits were the products of an even hundred (98) factories, 36 (35) of which were American, 30 (25) French, 14 (14) English, 6 (5) Belgian, 6 (5) Italian, 5 (11) German, and 3 (8) Austrian. (The figures in parentheses refer to the exhibition of 1925.) These manufacturers were represented by 61 branch houses or importers, while only 55 importers exhibited the year before and 47 in 1924. Of the American cars, 10 were equipped with four-cylinder engines, 31 were sixes, and 8 had eight cylinders. French manufacturers exhibited 54 cars with four cylinders, while 18 of the English exhibits also were fours.

Over 75 per cent of the cars exhibited were equipped with balloon or semi-balloon tires and fewer solid tires were noticed on trucks. Closed bodies seem to be even more popular here than in America, although many small cars sold are of the open type. Battery and magneto systems of ignition each continue to hold their own, the magneto system being probably twice as popular.

TRUCKS

The use of automotive trucks and delivery vans continues to increase in all directions, but with the greatest development in light trucks. Practically all the body work is done locally and therefore chassis principally are imported. The completed trucks shown in the foregoing table as imported are probably all light one-ton trucks of a design accepted in the Netherlands and assembled in adjoining countries.

The advertising value of attractive delivery equipment is fully realized and many ingenious designs of body construction and decoration are now seen.

BUSSES

What has been said of trucks regarding domestic body work, good painting, etc., is also true of motor busses. The widespread use of busses in Holland is the result of an extraordinary growth and reflects accurately the demand for a better means of transportation, both in and between cities and districts.

TAXIS

There are several companies in the larger cities operating metered taxis, but outside of Amsterdam no company appears to have bought fleets of the same mark for operation as taxis. The chief Rotterdam taxi company operates cars of several makes, but recent purchases have been of French units. The taxi services of The Hague are frankly in a poor condition with respect to the class and quality of the equipment in operation.

Taxi fares are high. If a meter service, in The Hague there is an initial charge of 50 cents (20 cents Canadian) for 800 metres and 10 cents (4 cents Canadian) every 400 metres in addition. The Rotterdam day services charge 50 cents for the first 500 metres and 10 cents for every 100 metres following. Some services have a rate of 15 cents to 30 cents per kilometre (or 6 and 12 cents Canadian per mile).

TRACTORS AND TRAILERS

Agriculture in the Netherlands is intensive, and statistics show that nearly 90 per cent of the total number of farms consist of holdings of less than 50 acres and that more than 50 per cent are less than 12 acres.

In 1921 there were 2,896 farms of over 125 acres, and these might be considered the only possible purchasers of agricultural tractors. Considerable attention is now being given to the owners or tenants of these farm holdings, and progress is being made in marketing tractors in this direction.

Industrially the use of tractors is experiencing a slow but steady growth by virtue of its versatility, since a tractor places at the disposal of its owner either the advantages of a fixed power unit or a prime mover, or its tractive effort, whichever may be required.

Traffic laws in some municipalities require brakes to be fitted on all trailers—brakes which must operate independently of the tractor unit. This also necessitates the presence of an attendant riding in the trailer, whose duty it is to operate the brakes of the trailer when required to do so. Since these old traffic regulations do not trust the draw-bar of a tractor trailer combination as a braking medium, this market for tractors is somewhat harder to develop.

Dutch canal traffic is not of a character to permit or warrant the use of a tractor to move barges.

ACCESSORIES

Notwithstanding the efforts made by manufacturers and importers of automobiles to turn cars over to purchasers completely equipped as regards accessories such as spare tire, rim and carrier, dashboard instruments, and in some cases a radiator thermometer, still it is rare one finds in the Netherlands a car to which some extra accessory has not been added. The magnitude of this trade was reflected in the last automobile exhibition, when thirty importers of such equipment occupied stands. It is generally to be assumed that novelty should be the essential feature of an accessory to be marketed in Holland, price the second consideration but of great importance, and utility, in so far as accessories are concerned, a factor of not so much importance as the first two.

ADVERTISING

In placing any new automotive unit, feature or accessory before the Dutch public, the best publicity can be gained by exhibiting at the Amsterdam Fair. Careful, judicious advertising spread over the month or two preceding the exhibition will be of great value, but after the line has successfully been introduced at the fair the results secured from this publicity must be crystallized into selling prospects by consistent advertising throughout the year.

For accessories, such advertising may perhaps be confined to publications read by automobile owners, for tractors to farm and constructional trade papers, but the search for new automobile owners must be prosecuted through the medium of the daily press. The best automobile advertising in Holland fulfils the two most important requirements of the science, regularity and a maintained standard of merit and attractiveness.

CUSTOMS DUTIES

The Customs Tariff Act of the Netherlands introduced July 1, 1925, levies a duty on automobiles according to Item 1 of Paragraph 1 of Article 134 of 12 per cent ad valorem, and chassis for automobiles according to Sub-Item 1A of Paragraph 3 of Article 134 are dutiable at the same rate as automobiles.

Spare parts, etc., are dutiable at various rates, some being admitted free. Owing to the multiplicity of units, which may be included in the term "spare parts and accessories," it is difficult even to summarize the situation. For example, ball bearings are admitted free of duty under Item 38 of the "Freelist" Section B of Article 10 of Royal Decree of May 5, 1925. Toothed wheels, worm- and cam-gears weighing under 1 kilo., 5 per cent, and if heavier admitted free of duty according to Item 11 of the "Freelist" just mentioned. Washers for bolts are admitted at the rate of 5 per cent according to Paragraph 9 of Article 10 of the Royal Decree; ammeters if weighing less than 1 kilo., 8 per cent, according to Paragraph 9 and Article 33 of the tariff, and if heavier 5 per cent, according to Paragraph D of Article 5 of the Royal Decree, etc., so that each item obviously has to receive special consideration.

REGISTRATION AND TAXATION

For the present it may be assumed that owners of automobiles in Holland are only required to register their cars for the purpose of identification and to facilitate the work of the tax authorities. Dutch automobiles are not taxed annually for road maintenance purposes in the same way as in North America, but an owner is taxed as though the car were personal property.

Article 31 bis, paragraphs 3, 4, and 5, of the Law on Personal Taxation, provide that no taxes are levied on cars owned by the Government, on motors recognized as being exclusively or chiefly for the transportation of sick persons, tools or merchandise, on motor cars which are exclusively used by dealers and which are included in their stock-in-trade, or on ordinary bicycles equipped with detachable motors.

The taxes payable are as follows: car valued by the tax authorities at less than 2,000 guilders (\$800), owner liable for an annual tax of 2 guilders (\$0.80) for each 100 guilders (\$40) of such valuation; between 2,000 and 4,000 guilders (\$800 and \$1,600), 40 guilders (\$16), plus $2\frac{1}{4}$ per cent for each 100 guilders of value over 2,000 guilders; between 4,000 fl. and 7,000 fl., 85 fl., plus $2\frac{1}{2}$ per cent for each 100 guilders exceeding 4,000 fl.; between 7,000 fl. and 10,000 fl., 160 fl., plus $2\frac{3}{4}$ per cent for each 100 guilders over 7,000 fl.; exceeding 10,000 fl., 242.50 fl., plus 3 per cent for each 100 guilders over 10,000 fl. The annual tax on three-wheeled motor cars is fixed at 15 fl.

If the automobile is used in the trade or profession of the owner, a claim may be made to have these taxes reduced 50 per cent. Owners of vehicles for hire may have the tax reduced 75 per cent, and an owner of taxi-cabs operated by electric motors is only liable for a tax of 10 fl. per car.

DISTRIBUTION PROBLEMS

Competition in distribution has been very keen for some time and nearly two years ago the only Dutch company marketing a car they assembled of imported parts was forced to cease operating. Particularly is competition very keen among importers and distributors of cars of the medium-price class. About half of the American cars being distributed in Holland are of the same class and within a price range of \$600, and it is within this group that competition is extremely keen. Below this group are the cars enjoying the bulk of the business, while of those makes selling above, not one importer can afford to carry a single line. Practically every dealer handles another American, English, or Continental car to enable him to operate, and the great variety placed before a prospective buyer adds to the intensity of the competition.

Naturally the market for the expensive car is small, and prospective buyers of cars of this class generally prefer a custom-built car, which has peculiar ideas built into it, to one which may have been produced in a mass-production plant. To offset the selling advantages of Continental-built vehicles, dealers of American-type cars have the great advantage of being able to offer services of all kinds with dealer organization and control which Continental manufacturers do not seem able to supply. The numbers of units which can be operated in the Netherlands must grow as better roads provide opportunities for use, and since better highways and easier financial arrangements will broaden the demand for automotive equipment which good advertising can steadily crystallize into more buying prospects, those manufacturers who continue to maintain high standards of equipment, price, service, and after-care need not be afraid of any permanent loss of market in the Netherlands, and can continue to reckon on securing their share at least of whatever market for automotive equipment the future may develop in this country.

[The above is a summary of a report on "Holland's Highways and Automotive Market," which, extending to 40 pages of typescript, is available on loan to Canadian firms on application to the Director, Commercial Intelligence Service, Ottawa.]

DIRECT EXCHANGE OF PARCEL POST WITH NORWAY

A direct exchange of uninsured parcels by post, effective June 1, 1926, has been arranged between Canada and Norway. This will be in addition to the parcel post route via England. During the summer season direct parcel post mails will be made up at Montreal and Halifax, whichever is the port of sailing; during the winter season they will be made up at Halifax only.

The rates of postage on parcels posted in Canada for transmission by this direct route will be as follows:—

1 Pound	\$0.32	7 Pounds	\$1.13
2 Pounds	0.43	8 Pounds	1.24
3 Pounds	0.54	9 Pounds	1.35
4 Pounds	0.80	10 Pounds	1.46
5 Pounds	0.91	11 Pounds	1.57
6 Pounds	1.02		

The regulations as to packing, customs declarations, prohibited articles, etc., will be the same as for parcels for Norway sent via England. The limit of weight will be 11 pounds.

TARIFF CHANGES AND CUSTOMS REGULATIONS

South Africa Removes Dumping Duty on Canadian Cement

Mr. G. R. Stevens, Canadian Trade Commissioner at Cape Town, has cabled that the South African dumping duty on Canadian cement was rescinded on May 8. This has reference to a proclamation issued on April 22, 1924. Under this proclamation it was provided that on cement imported into the Union of South Africa from Canada there would be levied a dumping duty equal to the difference between the price at which cement of a like grade was sold for home consumption in Canada, plus the free on board charges, and the selling price free on board to the importer in the Union. There was a proviso that this dumping duty should not in any case exceed 25 per cent ad valorem.

Documentation of Shipments to Jamaica

Mr. P. W. Cook, Canadian Government Trade Commissioner in Kingston, Jamaica, writes that in respect of exports to Jamaica the value of the package or container must be clearly stated on the shipper's invoice or certified as being included in the price of the goods. Under Section 11 of the Jamaican tariff law of 1925, packages, etc., are dutiable when containing goods subject to ad valorem duty. This is a reason why the invoice should give definite information concerning the value of containers.

Reduction of Export Tax on Molasses in St. Vincent

Mr. James Cormack, Canadian Trade Commissioner in Trinidad, writes under date May 17, 1926, that the Government of the colony of St. Vincent has by ordinance amended the Export Duties Ordinance of 1922 with regard to syrup and molasses. The effect of this amendment is to reduce the export tax on syrup and molasses from 5s. to 1s. 6d. on every 100 gallons, and so in like proportion for any greater or less quantity.

Proposed Changes in Czecho-Slovakian Duties on Wheat and Flour

Mr. L. D. Wilgress, Canadian Trade Commissioner at Hamburg, cables that a new tariff bill has been introduced in Czecho-Slovakia, under which there are provisional duties on wheat of 30 crowns per 100 kilos, and on flour 70 crowns per 100 kilos. The proposed general duties are wheat 60 and flour 120 crowns per 100 kilos, these latter rates to be imposed only under certain circumstances. July 1, 1926, is mentioned as the probable date when the new tariff will go into effect.

Under a decree of June 4, 1925, a sliding scale of duties was provided for grain and milled products based on the current market price of the grain. Thus so long as the price of wheat exceeded 180 crowns per 100 kilos, no import duties would be imposed on wheat and wheat flour, but as soon as the price of wheat fell below that figure the duties on wheat and wheat flour were to be as follows:—

	Wheat Crowns per 100 Kg.	Wheat Flour Crowns per 100 Kg.
When the price of wheat per 100 kilos is:		
Up to 125 crowns	25.20	40.00
More than 125 and up to 160 crowns	18.90	30.00
More than 160 crowns and up to 180 crowns	12.60	22.00
More than 180 crowns	Free	Free

According to announcements that have been made, a duty of 12.60 crowns per 100 kilos on wheat and 22 crowns per 100 kilos on wheat flour were in effect during December, 1925, January, March and April, 1926; that is to say, these duties were removed on February 1, for a month, and again removed on May 1, 1926.

MARKET OPENINGS IN TANGANYIKA

I am writing this from the very beautiful and agriculturally rich province of Bukoba, Tanganyika—a province situated on the western shore of Lake Victoria Nyanza, connected direct by lake steamer and the Uganda Railway with Nairobi and the port of Mombasa—writes a correspondent of the *Manchester Guardian Commercial*. Its capital is the town of the same name, picturesquely standing on the lake shore, and was formerly looked upon by the Germans as a health resort.

The province has a large and industrious (and by no means ill-educated) native population. Their staple food is the banana—which they grow themselves—and their staple crop for sale coffee. Their sideline is hides.

No English trader has a store, and practically no English goods are offered for sale. Yet from this province in 1925 approximately 4,000 tons of native-grown coffee was exported, and paid for in Bukoba at the rate of £70 a ton, thus providing the native population of this small province alone with over a quarter of a million sterling.

The natives dress, on their small holdings, in either a brown or white kausey (a sort of nightgown) made from cheap cotton material and a printed cotton shawl of similar material. Their wives (and most of them have two and in some cases three) are usually covered with three such shawls, one of which they drape around them after the fashion of a skirt, one as a bodice, and one as a shawl. These shawls are sold locally at from 2s. 6d. to 8s. each, according to quality, colouring, and size. Kauseys are sold from 4s. each for a very poor article up to 10s. for one of fairly good quality. I recently bought a dozen shawls (from different traders), and all bore the name of a German factory.

Thin cotton undervests are also in demand, and these are supplied by Japan and sold at about 2s. each. Americano and khaki and white drills—the former used for kauseys and the latter for native suitings—as a rule come from India. Shoddy clothing is supplied by Italy. Hessian bags for coffee find their way here from India, and cost about 16s. a dozen.

INDUSTRIAL DEVELOPMENT IN CZECHO-SLOVAKIA IN 1925

Considerable progress is being made in the artificial silk industry, the four factories in the country having an output in 1925 of about 1.2 million kilogs., states the *Monthly Review of Central Europe*, published by the Anglo-Austrian Bank, Limited. According to the Czecho-Slovak Bureau of Statistics the imports of artificial silk into the country during the year under review amounted to 1,725,000 kilogs., valued at 144 million crowns. Exports totalled 655,800 kilogs., valued at 40 million crs., of which 10 million crs. went to Germany, 7½ million crs. to the United Kingdom, 5½ million crs. to Switzerland, and 5 million crs. to Austria.

The Bohemian glass industry has of late suffered from the general decline of demand. Exports especially show a marked decrease, mainly owing to the new increased customs duties in Germany. Even in January, when all these new increases had not entered into force, exports to Germany showed a decrease of 200 wagons. Since then the situation has grown worse, especially in the hollow glass industry. Many firms have, it is stated, reduced their output, and in some cases workers have been dismissed.

Exports of porcelain continue to increase, and in 1925 amounted to 1,747 wagons, which figure is about 15 per cent higher than the pre-war figure. The production of salt last year amounted to about 126,000 tons.

NEW ZEALAND'S IMPORTS FROM CANADA, JANUARY TO MARCH, 1926

Statistics have just been received from Mr. C. M. Croft, Canadian Trade Commissioner at Auckland, showing the imports into New Zealand from Canada for the quarter ended March 31, 1926. The total imports from all countries for the period under review amounted to £13,692,772, of which Canada supplied £1,097,237. This represents an increase in imports from Canada of £98,316. Increases are noted in chassis and materials and parts of motor vehicles; electrical appliances; newsprint; gum boots; fish, potted and preserved; boots and shoes, other; wire, copper and fencing, etc. The principal decrease is in passenger vehicles (£235,732), due to the fact that some motor cars manufactured in Canada have been affected by the new preferential tariff regulations. Chassis for lorries, trucks, vans, and buses, and tires for motor vehicles, also show considerable decreases.

The principal increases and decreases were as follows:—

Increases.—Fish, potted and preserved, £11,931; oats, £7,687; gum boots, £16,418; boots and shoes n.e.i., £8,418; hardware n.e.i., £5,171; nails, other, £4,741; wire (copper) £4,902, (fencing, plain) £5,112, (fencing, barbed) £3,580; electric batteries and cells, £3,451; electric appliances n.e.i., £11,778; belting other than leather, £5,534; timber, sawn dressed, hemlock, £4,638; newsprint, £28,136; chassis for passenger vehicles, £186,321; materials and parts of motor vehicles, £19,816.

Decreases.—Cotton piece goods, £4,101; timber, rough sawn, Douglas fir, £6,812; passenger vehicles, £235,732; chassis for lorries, trucks, vans, and buses, £18,505; tires for motor vehicles, £18,629.

A table showing the values of the various lines of imports into New Zealand for the period stated, together with the articles affected by and the value of the Canadian preference, is on file, and may be obtained on application to the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa.

VALPARAISO'S RIVAL

New docks and other improvements are to be carried out at the Chilean seaport of San Antonio, which is becoming a formidable rival to the great port of Valparaiso. It is much nearer Santiago, the capital and chief centre of population, and it is 30 per cent cheaper to send goods to Santiago via San Antonio than through Valparaiso.

Last year about 600 ships entered the port of San Antonio, as compared with 113 in 1920. Traffic has become somewhat congested, but the improvements to be carried out will permit of a larger number of vessels being accommodated and a much greater quantity of merchandise being handled than hitherto.

CHILE AS AN OIL-PRODUCING COUNTRY

Chile is now coming forward as a mineral oil-producing country, and to protect the native industry as well as to afford scope for its full development the Government has proposed to levy a duty on all imported oil, of which close on 900,000 tons yearly reaches the country, mainly from Peru, and of that quantity over half is consumed by the nitrate industry, says the *Manchester Guardian Commercial*.

Oilfields have been located in many parts of South Chile; also on the large island of Chiloe and in the Magallenes territory in the extreme south of the republic. It is now proposed to extensively exploit these oilfields, but as it has also been proposed to limit ownership to Chileans, it is not likely that much headway will be made, for it is improbable that under such conditions foreign capitalists will be inclined to render that assistance which is so necessary for a full development of the industry.

TENDERS INVITED

Australia

Copies of tender forms and specifications have been received from Trade Commissioner D. H. Ross, Melbourne, for material required by the Victorian Government Railways, Melbourne. The tender forms and specifications are open to the inspection of interested Canadian manufacturers at the Department of Trade and Commerce, Ottawa. Tenders in conformity to the specification should be promptly addressed to the Secretary, Victorian Government Railways, Melbourne, Australia.

Particulars of the requirements are briefly outlined thus:—

VICTORIAN GOVERNMENT RAILWAY DEPARTMENT

No.	Date of Closing	Particulars
39543	July 14, 1926	Supply and delivery of one alternating current power interlocking machine, to drawing and as specified.
39542	July 23, 1926	Supply and delivery of one plain grinding machine, as specified.
39287	Sept. 1, 1926	Supply and delivery of automatic substation equipment, to drawings and as specified.

Canadian Manufacturers and Exporters are strongly advised to file all numbers of the "Commercial Intelligence Journal" for future reference, and to bind them with the Index at the end of each half year.

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

566. FOOD PRODUCTS.—Peruvian manufacturers' agent is interested in food products, including codfish, and invites quotations.

567. PROVISIONS.—An agent in Hamburg, Germany, wishes to secure the representation of Canadian exporters.

568. FLOUR; POTATOES.—A firm at Havana, Cuba, are desirous of representing Canadian exporters.

569. BUTTER.—A firm of wholesale provision merchants in Cologne, Germany, wish to secure connections with Canadian butter exporters.

570. CHEESE.—Peruvian importer wishes to receive quotations.

571. CHEESE.—A firm in Cologne, Germany, who have had considerable experience in the introduction of compressed cheese into the German market, wish to secure a connection with a Canadian exporter of compressed cheese.

572. CANNED FISH.—A firm of wholesale provision merchants in Cologne, Germany, wish to secure connections with Canadian exporters of canned lobsters, salmon, and sardines.

573. CANNED FISH.—An agent in Hamburg, Germany, wishes to secure the representation of Canadian exporters of canned lobsters and canned salmon.

574. SALMON.—A firm of importers at Athens are desirous of corresponding with Canadian exporters of salmon interested in shipping to Greece.

575. CODFISH.—The Rio de Janeiro representative of a London firm states that the head office of his firm (address on file) would be interested in getting in touch with Canadian firms desiring to export Canadian codfish to Brazil.

576. DRIED FRUITS.—A firm of agents in Hamburg, Germany, wish to get in touch with Canadian exporters of dried and evaporated apples.

577. EVAPORATED FRUITS.—A firm of wholesale provision merchants in Cologne, Germany, wish to secure connections with Canadian exporters of evaporated apples and other dried fruits.

578. EVAPORATED APPLES.—An agent in Hamburg, Germany, wishes to secure the representation of Canadian exporters of evaporated apples.

Miscellaneous

579. PHARMACEUTICAL SPECIALTIES.—Peruvian importer desires to receive catalogues and quotations on pharmaceutical specialties (not medicines).

580. DRUGS AND CHEMICALS.—Peruvian importer wishes to receive quotations on drugs and chemicals.

581. TEXTILES.—Chilean manufacturers' agent wishes to represent manufacturers of silk, wool and cotton textiles.

582. PAPER.—A firm at Havana, Cuba, are desirous of representing Canadian exporters.

583. PAPER.—Peruvian importer wishes to receive samples and quotations on flat printing paper and sulphite paper.

584. PRINTING PAPER.—Important Dublin publishing house wishes to purchase supplies direct from Canada. Sample of paper required is on file in the Department of Trade and Commerce, Ottawa. Would like to get counter samples and prices on medium quantities, spot delivery.

585. WALLPAPER.—Peruvian manufacturers' agent is interested in wallpaper and desires quotations.

586. PAPER NAPKINS.—Canadian exporters of this commodity who are interested in the Grecian market are requested to communicate with importers at Athens.

587. MUSICAL INSTRUMENTS, ETC.—A leading Irish Free State importing firm desire to be supplied with catalogues and quotations on all classes of musical instruments and accessories, music, metronomes, etc.

588. HARDWARE.—Peruvian importer wishes to examine catalogues and quotations on general hardware.

589. PAINTS AND VARNISHES.—Peruvian importer is willing to receive quotations on paints and varnishes.

590. BELTING.—Peruvian importer desires to receive samples and quotations on transmission belting.

591. WIRE.—Peruvian importer desires to receive quotations on wire and general hardware.

592. ELECTRIC COFFEE GRINDERS.—A well-known importer and manufacturers' representative in Mexico City, of British nationality, desires to secure an agency for a Canadian firm in a position to export electric coffee grinders for use in retail grocery stores. The firm has been very successful in handling similar machinery, and there are good prospects for a substantial business.

593. MINING MACHINERY.—Chilean importer wishes to receive catalogues and quotations on mining machinery.

594. AGRICULTURAL IMPLEMENTS.—Peruvian importer wishes to receive catalogues and quotations on agricultural implements, including ploughs.

595. LUMBER.—Peruvian importer desires to study specifications and quotations on lumber.

596. BOX SHOOKS.—Specifications and quotations on box shooks are requested by a Peruvian importer.

597. TELEGRAPH POLES.—Quotations on telegraph poles are requested by an importer in Peru.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING MAY 31, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending May 31, 1926. Those for the week ending May 25, 1926, are also given for the sake of comparison.

	Parity	Week Ending	
		May 25, 1926	May 31, 1926
Britain £	1.00	\$4.860	\$4.8612
Belgium Fr.	1.	.0321	.3177
Czecho-Slovakia Crown	1.	.0296	.0296
Finland Mark	1.	.193	.0252
France Fr.	1.	.0319	.3297
Holland Florin	1.	.4019	.4015
Italy Lire	1.	.0382	.3807
Spain Pes.	1.	.1461	.1504
Portugal Esc.	1.	.0520	.0520
Switzerland Fr.	1.	.1936	.1934
Germany Reichs Mk.	1.	.2382	.2380
Greece Dr.	1.	.0128	.0130
Norway Kr.	1.	.2164	.2190
Sweden Kr.	1.	.2677	.2675
Denmark Kr.	1.	.2626	.2632
Austria Schilling	1.	.14125	.1412
Japan Yen	1.	.4700	.4700
Siam Tical	1.	.4550	.4550
India R.	1.	.3667	.3665
United States \$	1.	.9997	.9993
Mexico \$	1.	.4775	.4885
Argentina Pes. (Paper)	1.	.4012	.4012
Brazil Mil.	1.	.1510	.1512
Roumania Lei	1.	.193	.....
Jamaica £	1.	4.863	4.8775
British Guiana \$	1.	1.	4.8425
Barbados \$	1.	1.	
Trinidad \$	1.	1.	
Dominica \$	1.	1.	
St. Kitts \$	1.	1.	
Grenada \$	1.	1.	
St. Vincent \$	1.	1.	
Tobago \$	1.	1.	
Shanghai, China Tael	1.	.703	.7212
Batavia, Java Guilder	1.	.4020	.7562
Peru Crown	1.	4.863	.4037
Singapore, Straits Settlements .. \$	1.	.507	3.6525
			3.615
			.5725
			.5725

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To LONDON, PLYMOUTH AND CHERBOURG.—Alaunia, June 12; Antonia, June 19; Ascania, June 26; Ausonia, July 3—all Cunard Line.

To LONDON.—Balfour, June 12; Bothwell, June 19; Brandon, June 26—all Canadian Pacific; Canadian Hunter, June 17; Canadian Trapper, June 26; Canadian Raider, July 7—all C.G.M.M.

To LIVERPOOL.—Moveria, June 11; Kelvinia, June 17—both Cunard Line; Regina, June 11; Megantic, June 19; Doric, June 26; Canada, July 3; Regina, July 7—all White Star-Dominion; Montclare, June 11; Montrose, June 25—both Canadian Pacific.

To AVONMOUTH.—Oxonian, June 19; Welshman, June 26—both White Star-Dominion; Concordia, Anchor-Donaldson, June 12.

To GLASGOW.—Athenia, June 11; Carmia, June 18—both Anchor-Donaldson; Metagama, Canadian Pacific, June 17.

To DUBLIN AND BELFAST.—Carrigan Head, Head Line, June 27.
 To SOUTHAMPTON.—Melita, Canadian Pacific, June 16.
 To MANCHESTER.—Manchester Brigade, June 10; Manchester Producer, June 17; Manchester Hero, June 24—all Manchester Liners.
 To CARDIFF AND SWANSEA.—Canadian Leader, June 18; Canadian Mariner, July 2—both C.G.M.M.
 To ANTWERP.—Melita, Canadian Pacific, June 16; Canadian Hunter, June 17; Canadian Trapper, June 26; Canadian Raider, July 7—all C.G.M.M.
 To HAVRE AND ROTTERDAM.—Brant County, Intercontinental Transports Ltd., June 12.
 To HAMBURG.—Hastings County, Intercontinental Transports Ltd., June 26.
 To ITALIAN PORTS.—Valcerusa, Lloyd Mediterraneo Italian Service, June 23.
 To AUSTRALIAN PORTS.—Canadian Miller, C.G.M.M., July 3.
 To NEW ZEALAND PORTS.—Canadian Cruiser, C.G.M.M., June 25.
 To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Carrier, June 12; Canadian Runner, June 23; Canadian Otter, July 3 (calls at Guadeloupe)—all C.G.M.M.
 To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Forester, June 9; Canadian Fisher, June 30—both C.G.M.M.
 To ST. JOHN'S, Nfld. (via CHARLOTTETOWN).—Hitherwood, Intercontinental Transports Ltd., June 9; Canadian Sapper, C.G.M.M., June 27.

From Quebec

To LIVERPOOL.—Montroyal, Canadian Pacific, June 18.
 To SOUTHAMPTON.—Empress of France, June 9; Empress of Scotland, June 23—both Canadian Pacific.
 To HAMBURG.—Empress of France, Canadian Pacific, June 9.

From Halifax

To LIVERPOOL.—Nova Scotia, Furness, Withy, June 12.
 To ST. JOHN'S, Nfld.—Nova Scotia, Furness, Withy, June 12; Farnorth, Farquhar SS., June 13.
 To NEWFOUNDLAND SOUTH COAST OUTPORTS AND ST. PIERRE-MIQUELON.—Skipper, Farquhar SS., June 8, June 22.
 To NEWFOUNDLAND WEST COAST OUTPORTS.—A steamer, Farquhar SS., June 15, June 29.
 To BERMUDA, ST. KITTS, ANTIGUA, MONTserrat, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Chaleur, R.M.S.P. Co., June 18.
 To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, June 16.

From Vancouver

To YOKOHAMA AND KOBE.—Asuka Maru, Nippon Yusen Kaisha, June 12.
 To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Russia, Canadian Pacific, June 24.
 To YOKOHAMA, KOBE, SHANGHAI, HONG KONG AND MANILA.—Empress of Canada, Canadian Pacific, June 10.
 To YOKOHAMA, KOBE AND HONG KONG.—Tyndareus, Blue Funnel Line, June 24.
 To YOKOHAMA, KOBE, SHANGHAI AND HONG KONG.—Empress of Australia, Canadian Pacific, July 8.
 To YOKOHAMA, KOBE, DAIREN, TAKU AND SHANGHAI.—Arabia Maru, June 16; London Maru, July 2—both Osaka Shosen Kaisha.
 To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Aorangi, Canadian-Australasian Line, June 30.
 To WEST COAST UNITED KINGDOM PORTS.—Canadian Skirmisher, C.G.M.M., June 30.
 To LIVERPOOL.—Grootendyk, late June; Drechtdyk, early July—both North Pacific Coast Line.
 To LONDON AND ANTWERP.—Grootendyk, late June; Drechtdyk, early July—both North Pacific Coast Line; Canadian Importer, C.G.M.M., June 19.
 To MANCHESTER.—Pacific Shipper, Furness Pacific Line, June 11.
 To ROTTERDAM.—Grootendyk, late June; Drechtdyk, early July—both North Pacific Coast Line.
 To BORDEAUX, HAVRE AND ANTWERP.—Sonora, June 10; Montana, June 25—both Cie. Gle. Transatlantique (French Line).
 To BARCELONA, MARSEILLES, GENOA, NAPLES AND TRIESTE.—Fella, Navigazione Libera Triestina, June 24.
 To TRINIDAD.—A steamer, Pacific-Caribbean Gulf Line, early June.
 To AUSTRALIAN AND NEW ZEALAND PORTS.—West Calera, Pacific Australia Line, June 15.

LISTS OF ACTS ADMINISTERED AND PUBLICATIONS ISSUED BY THE DEPARTMENT OF TRADE AND COMMERCE

Applications for these Acts of Parliament and other publications in this list, together with remittances for the same, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution".

Copper Bars and Rods Bounty Act. Copyright Act.
Electricity and Fluid Exportation Act. Electricity Inspection Act.
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Timber Marking Act. Inspection of Water Meters Act.
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MISCELLANEOUS

Annual Report of the Department of Trade and Commerce. (Price 10 cents.)
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Annual Report of Weights and Measures, Electricity and Gas. (Price 10 cents.)
Canada-British West Indies-Bermuda-British Guiana-British Honduras Trade Agreement (1925). (Price 10 cents.)
Canada West Indies Conference (1920). (Price 25 cents.)
Canada-West Indies Conference Report, (1925). (Price \$1.)
Dominion Grain Research Laboratory (1920). (Price 10 cents.)
Electrical Standards and their application to Trade and Commerce.
Final Report of the Fuel Controller (1920).
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Imperial Fruit Show (1923).
List of Licensed Elevators, etc. (Price 50 cents.)
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Pan-Pacific Commercial Conference (1923). (Price 25 cents.)

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NOTE.—Publications of the Commercial Intelligence Service are free to subscribers to the Commercial Intelligence Journal.

Commercial Intelligence Journal Weekly (In English and French), containing Reports of Trade Commissioners and other Commercial Information. Annual Subscription: In Canada, \$1; single copies, 5 cents. Outside Canada \$3.50; single copies, 10 cents.
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The following is an abbreviated list of publications of the Bureau of Statistics.

Census of Canada.

Census of Prairie Provinces (1916).

Miscellaneous Statistics respecting the following: Criminal; Education; Finance (Provincial and Municipal); Transportation, including railways and tramways, express, telegraphs, telephones water, etc.; Production, including agriculture, furs, fisheries, forestry, mining and manufactures: Vital (annual and monthly).

Monthly Bulletin of Agricultural Statistics

Year Book of Canada.

Report of the Dominion Statistician, Annual.

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Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, June 12, 1926

No. 1167

TABLE OF CONTENTS

	Page		Page
Australian Financial and Commercial Conditions	737	Trade and Economic Conditions in China . .	760
Flax Prices in Northern Ireland	738	Rubber Industry of Japan	761
Latch Needles in the English Midlands	739	The Paris Fair	762
Grain Trade and Grain-Handling Facilities at the Port of Bristol	741	Tariff Changes and Customs Regulations:	
Economic Conditions in Scotland and Northern Ireland	745	Peruvian Consular Regulations	762
Commercial Conditions in Trinidad	745	Invoicing Goods to Netherlands East Indies	763
Danish Market for Canadian Products—II: Introduction—ii	746	Tariff Changes in Mexico	763
Industrial Census of Switzerland	752	Tenders Invited:	
Artificial Silk Industry in the United States	753	Australia	763
Poultry Exchange in New York	753	New Zealand	763
Conditions in the United States	753	Mexico: Harbour Improvements	764
Domestic Washing Machines in Argentina . .	753	Foreign Exchange Quotations for Week ending June 7, 1926	764
Peru as a Market for Canadian Products—VIII: Agriculture; Mining; and Railways	754	Trade Inquiries for Canadian Products . .	765
		Proposed Sailings from Canadian Ports . .	765
		List of Acts Administered and Publications Issued	767
		Commercial Intelligence Service	768

AUSTRALIAN FINANCIAL AND COMMERCIAL CONDITIONS

C. HARTLETT, OFFICE OF THE TRADE COMMISSIONER

Melbourne, April 30, 1926.—Business for the month of April is reported on the whole to have been satisfactory, although the turnover in the retail trade has not been up to expectations and there is considerable unemployment in the boot and other manufacturing industries. This, however, is more or less usual in the secondary industries in the autumn months of the year, but it is anticipated that the favourable weather conditions which have prevailed during the past month and the proceeds of last season's wool, wheat, and other primary production which are now being distributed, will shortly be reflected in an increased outlay on the part of farmers and others in country districts. Banking authorities state that present financial conditions are easy and comfortable, there being ample funds available for all legitimate trading purposes at reasonable rates.

Imports and Exports.—Imports continue on a liberal scale, the official returns of Australian overseas trade for the first eight months of the current fiscal year (to the end of February) showing a total value from all sources of £101,719,603 as compared with £100,725,648 for the corresponding period of the previous year. In the same period exports declined from £110,436,765 to £103,168,902.

Increased Customs Duties.—The increased customs duties on certain tariff items which were brought into operation on September 3, 1925, were passed by the House of Representatives before the Easter recess, but have yet to be dealt with by the Senate as one of its first measures when Parliament meets again about the middle of May. A few minor alterations to the proposed new duties were made by the House and it is anticipated will be acceptable to the Senate. The

early final passage of the measure by both Houses will restore the confidence of importers in booking requirements ahead and allay much of the uncertainty in future commitments now prevailing in commercial circles.

Commonwealth and State Conference.—A conference of Commonwealth and State Government representatives is to be held next month in Melbourne. Surrender to the states of the field of taxation on the incomes of individuals, retention of the company tax, and abandonment of the present per capita payments to the states are, it is understood, to be the main points submitted by the Commonwealth for the consideration of the conference. The dual income taxation now payable to both Commonwealth and states is very irksome to individuals and small traders and payment at the one source and rate would be a relief to the general community.

Commodity Market Conditions.—With the exception of two sales which are now proceeding in Sydney, the wool sales for last season's clip have now closed and will not resume until about the middle of September next, when the new clip will be placed on the market. The season has been a very satisfactory one to growers.

There was very little business done in Australian wheat during March, but a much better buying demand from London and the Continent set in early in April and continued until a few days ago, since which prices have shown a tendency to decline. In consequence of this demand at higher prices and recent reductions in freight rates to United Kingdom and Continental ports, some large parcels were shipped on consignment to the United Kingdom and all the present available steamer space has been booked at the prevailing freight rate of 21s. 3d. per ton. These rates also apply to South African, Continental, and Mediterranean ports. To-day's price of wheat is 6s. 6d. per bushel at main Australian ports in a firm market with few sellers. Owing to the continued rains throughout Australia during the past month or so, there is plenty of green feed available for live stock and the shortage of oats is not so severely felt as was the case some time ago. Inquiries for oats for importation have consequently declined for the time being, but it is anticipated in some quarters that they will be renewed again in June for milling purposes.

As with wheat, the overseas demand for flour was also much better in April than in March and good sales were made to the United Kingdom and Egypt. There was also good inquiry from South Africa, but sales to that destination were only moderate. It is expected, however, that the recent removal of the dumping duties which had been imposed on Australian wheat and flour imported into South Africa will lead to increased business in that direction. To-day's prices for flour per ton of 2,000 pounds f.o.b. Australian ports are: sacks of 150 pounds gross, £13 7s. 6d.; hessian bags of 101 pounds gross, £13 12s. 6d.; calico bags of 49 pounds gross, £14 2s. 6d.

Owing to the bulk of Australian wheat having been exported and the next season's crop not being available until November and December, it is anticipated that present prices of flour will remain firm for some months.

FLAX PRICES IN NORTHERN IRELAND

It is rather too early to estimate the area of flax sown in Northern Ireland, says the *London Times Trade Supplement*, but it is generally believed that there will be a considerable decrease compared with last year. At the same time some seed merchants have experienced a very good demand and report having sold more than last year. Only nominal quantities of average quality flax came into the Irish markets in April, and the average price was 9s. 7d. per stone, a decrease of 1s. 6d. per stone compared with the average for March. In fact, it is now 50 per cent less than a year ago. Flax seed is 20 per cent cheaper than in 1924 and 10 per cent cheaper than a year ago.

LATCH NEEDLES IN THE ENGLISH MIDLANDS

TRADE COMMISSIONER DOUGLAS S. COLE

Bristol, May 26, 1926.—The city of Leicester, which is located in the heart of England, is the centre of the important hosiery and other knitted goods trade. Some idea of its extent may be gathered from the fact that, in addition to the domestic market of 48,000,000 persons in the British Isles, there is a huge export trade, Canada itself being a large consumer of Leicester hosiery. The production of knitted hose, knitted underwear, and other knitted goods amount to approximately \$250,000,000 per annum in so far as the consumption in the United Kingdom alone is concerned.

The machinery used in the manufacture of knitted goods such as hosiery is imported from Germany, Switzerland, and the United States. There are also large numbers of English machines. Latch needles are an essential and frequently replaced part of the equipment, and in many cases they are produced by the manufacturers of the machines. Nevertheless there is a large trade done in latch needles as distinct from machinery, and the highest quality of these is imported from Canada. No attempt is made to sell them in competition with German or English supplies; they are sold on a distinct quality basis. The Canadian manufacturers have branch offices in the United Kingdom at London, Leicester, and Glasgow, which all carry stocks, and many numbers of the *Hosiery Trade Journal* carry lithographed full-page advertisements of their product.

EFFECT OF WAR CONDITIONS ON THIS TRADE

Although the latch needle was originally a British invention, the United Kingdom prior to 1914 was dependent for the most part on German products. A small proportion only of the total consumption was of British manufacture and in the main consisted of coarse-gauge needles.

War demands for the production of knitted goods for army purposes resulted in English manufacturers concentrating their output on medium- and coarse-gauge needles, and these were manufactured to the elimination of the finer-quality needles. Since 1918 manufacturers of hosiery machines and latch needles in England have installed new plants on a considerable scale; and resulting from heavy German competition latch needles were brought under the Safeguarding of Industries Act in September, 1921. The Hosiery Needle Makers and Allied Trades Association, with headquarters at Leicester, were largely instrumental in obtaining the safeguarding duty of 33½ per cent, and also in presenting the application for renewal in 1925, at which time the entire situation was reviewed.

RENEWAL OF KEY INDUSTRIES DUTY

In the budget of 1926 latch needles were placed under the Key Industries Duty for a further period of ten years, with a rate of 33½ per cent. Latch needles from the Dominion enter duty free. Renewal is based on the fact that the Board of Trade are satisfied that all the requirements of British users of latch needles can now be met by the British makers. On the other hand, it is understood that in the early part of this year the English Hosiery Machine Builders Association reported that they were still unable to obtain sufficient quantities of British-made needles of fine gauge, and certainly they were importing them from Canada, the United States, and Germany in large quantities.

Certain English firms are manufacturers of both machines and needles, and, generally speaking, the hosiery machine builder is also a needle merchant, if not a manufacturer. He sells needles in competition with agents for foreign manufacturers, and in some cases he has himself become an agent for foreign needles in order to maintain his trade.

Other builders are large importers of foreign machines whose makers stipulate that only their needles be sold by such firms for use in their machines. The writer is advised on good authority that the English makers have not been able to obtain satisfactory results in the manufacture in volume of fine-gauge needles, but so far as medium- and coarse-gauge needles are concerned, they are giving entire satisfaction both as regards quantity and quality. On these lines they are having difficulty in maintaining prices as against German imports, despite the 33½ per cent duty. The percentage output of fine-gauge needles is increasing despite the decrease in recent years of total output; and this is explained by the fact that the world demand is increasing for fine or sheer hosiery, which necessitates the use of very fine needles. The following table shows the total output of needles of 48-gauge and finer as returned by the six largest English firms:—

Year to September 30	Fine Gauge (Thousands)	Total Output All Gauges (Thousands)	Percentage Fine Gauge
1921	5,182	18,338	28
1922	6,703	28,109	24
1924	8,378	26,998	31
1925	8,213	20,774	40

IMPORTS OF HOSIERY NEEDLES

The following import (ex ship) of hosiery latch needles into the United Kingdom by countries of consignment for January, 1926, is typical of the situation. Canadian supplies are for the most part of fine gauge:—

Country	Quantity	Value
Duty-paid imports:		
Germany	2,282,076	£4,887
Netherlands	33,770	88
France	1,364	3
Switzerland	124,094	287
United States	111,426	644
Duty-paid imports	2,553,230	5,910
Imports free from duty: Canada	465,070	£2,396

PRICES

Excellent-quality German needles of medium fineness are being sold at 55s. (\$13.38) per 1,000 delivered in Leicester. The report of the committee appointed by the Board of Trade to investigate whether the renewal of this duty was necessary states in part that the price of latch needles has fallen since the Safeguarding Duty was imposed from 130s. (\$31.63) per 1,000 in September, 1921, to 110s. (\$26.73) per 1,000 in September, 1925, for a needle of 48-gauge (i.e. fine gauge). The price of the British product is still far above the figure at which latch needles can be imported from Germany. Quotation for German needles of the same 48-gauge is given as 63s. 4½d. (\$15.42) or 84s. 6d. (\$20.39) inclusive of duty.

Remuneration in this industry in Germany is considerably less than in England, and wages form a high proportion of the cost of production of this product. The Board of Trade state that German manufacturers are making every effort to regain the monopoly formerly enjoyed by them.

It would appear that the high prices obtained for the one make of Canadian latch needles on this market is owing largely to the fact that needles with the slightest flaw are rigidly excluded from all shipments.

In conversation with one of the largest hosiery manufacturers in Leicester, the statement was made that firms such as his were forced either to buy in the cheapest market and be prepared to face the manufacture of a fairly large number of seconds in their product, or obtain the highest-quality needle on the market and pay the highest prices for it. This latter course he had himself adopted, and he stated that it paid him as the elimination of seconds was good business despite the higher cost.

GRAIN TRADE AND GRAIN HANDLING FACILITIES AT BRISTOL CHANNEL PORTS

TRADE COMMISSIONER DOUGLAS S. COLE

Bristol, May 12, 1926.—It is not generally appreciated in Canada to what extent the large number of ports situated on the Bristol Channel handle Canadian grain and flour traffic. A Canadian business man recently in Bristol was astonished to learn that the port of Avonmouth and Bristol, which is but one of several local ports, handles over 10 per cent of the total grain trade of the United Kingdom.

Eliminating the minor ports of the Bristol Channel, the chief ones to handle any quantity of grain and flour are the port of Bristol (including the docks located at Bristol, Avonmouth, and Portishead) and South Wales ports of Cardiff, Newport, Swansea, and Barry. These South Wales ports are controlled by the Great Western Railway and comprise in themselves the largest dock system in the world under one ownership.

I

Port of Bristol

Dealing first of all with the port of Bristol, the port authorities have compiled statistics for the purposes of this report up to April 30, 1926. The following condensed figures illustrate the growth of Canadian traffic, particularly when it is realized that shipments of Canadian wheat from United States ports are not included as Canadian.*

Statistics of Total Grain Imports

	Year ending April 30,				
	1914 Tons	1923 Tons	1924 Tons	1925 Tons	1926 Tons
Total imports	910,642	893,321	968,651	998,725	826,835
From Canada:					
Atlantic ports }	260,818	246,980	262,329	257,912	219,812
Pacific ports }			29,405	55,376	73,672
Total			291,734	313,288	293,484
Percentage from Canada	28.6	27.6	30.1	31.3	35.5

GRAIN TRADE

The early part of 1925 saw the gradual liquidation of heavy stocks of grain held at Avonmouth and other Bristol Channel ports. So heavy was the congestion at Avonmouth during the bull market which existed throughout the latter part of 1924 that grain was stacked out even in the passenger sheds. The beginning of 1925 found stocks of grain held by the Bristol Docks Committee totaling 624,858 quarters, and each month found this total reduced until a minimum of 69,314 quarters was reached the latter part of August. Stocks stood at 337,000 quarters January 1, 1926, and on May 1, just prior to the outbreak of the general strike, total stocks were 312,180 quarters, or approximately 2,570,000 bushels.

HEAVY CANADIAN WHEAT TRADE

Canada has consolidated her position as the premier shipper of wheat to the West of England. Out of 358,000 odd tons imported for the calendar year 1925, Canadian Atlantic and Pacific ports contributed over 190,000 tons. Other sources of shipment are Australasia (39,000 tons), India and the Persian Gulf (19,000 tons), Southern Europe (10,700 tons), and Northern Europe (2,500 tons). The distribution of Canadian shipments were: Atlantic ports, 143,000 tons, and Pacific ports, 47,000 tons respectively.

* For last report on Grain Trade from the Bristol office see *Commercial Intelligence Journal* No. 1141: December 12, 1925.

It is important to note that the United States totals must include a large percentage of Canadian wheat, for in the four months ending November, 1925, out of 80,000,000 bushels of Canadian wheat shipped to the United Kingdom, 63,000,000 were shipped via United States ports and only 17,000,000 from Canadian ports. This applies as well to the other grains, particularly barley.

BARLEY

Imports of barley into Bristol Channel ports are normal, though the tendency is not upward. For Bristol and Avonmouth the position for the past three years is as follows:—

Barley Imports in Port of Bristol, 1923 to 1925

Sources of Shipment	1923	1924	1925
Northern Europe	14	297	2,604
Southern Europe	70,588	15,051	78,321
Asiatic ports in Mediterranean .....	....	....	554
India and Persian Gulf	57,918	95,712	5,607
Northern Africa	6,986	13,610	21,492
Canada-Atlantic ports	63,912	65,241	55,377
Canada-Pacific ports .....	....	....	6,571
U.S.A.—Atlantic ports	15,400	25,069	22,861
U.S.A.—Pacific ports	29,572	16,826	12,161
South America .....	....	14,892	6,071
Australasia	1,936	1,896	553
Total tonnage	246,466	248,594	212,172

Total tonnage is slightly reduced, but nothing compared with wheat imports. Canada and the United States are normal, with large fluctuations from Southern Europe and India. Bristol is the first port in the United Kingdom for import of barley, taking over one-quarter of the total United Kingdom import.

MAIZE IMPORTS LESS

A sharp depression in imports of maize at Bristol Channel ports is recorded in 1925. The West of England Corn Trade Association figures indicate the following imports in the past two years:—

Unit Quarters	Cardiff	Bristol	Sharpness
1924	125,797	986,510	154,124
1925	40,088	673,759	53,979

The imports from Canada are negligible.

OATS

This is a dying trade insofar as Avonmouth is concerned, and a total of 22,620 tons is recorded for 1925, of which Canada was the principal shipper with a total of 16,114 tons.

PERCENTAGE OF UNITED KINGDOM TRADE

The port of Bristol handles 10 per cent of the total grain imports of the United Kingdom, and in the case of barley the percentage for the past year is 26.6. The following table gives a comparison between 1924 and 1925 of the percentage trade of the country:—

Import of Grain, Calendar Years 1924 and 1925, with Percentages

	United Kingdom Tons	Bristol Tons	Per Cent	United Kingdom Tons	Bristol Tons	Per Cent
Barley	1,087,258	248,590	22.8	793,685	212,172	26.6
Maize	1,889,080	193,207	10.2	1,382,409	154,906	11.2
Oats	542,567	52,338	10.0	425,122	22,620	5.3
Wheat	5,913,776	504,895	8.5	4,886,667	359,367	7.4
Other kinds	215,779	22,369	10.3	160,886	8,444	5.2
Total	9,630,460	1,021,397	10.6	7,647,769	757,509	9.9

PORT OF BRISTOL FACILITIES

The above heavy imports indicate that the grain facilities of the port must be up-to-date, otherwise this trade would rapidly gravitate to other centres of distribution. The bulk of the grain is handled at Avonmouth, which port is seven miles below the city of Bristol, and the growth of these great docks has been necessitated by the increasing tonnage of ocean-going vessels. For discharging grain at Avonmouth there are five floating elevators, three of which are pneumatic and two of bucket type, which give rapid discharge to coastwise craft or barge or alternatively by travelling bands for storage in the granaries. To accelerate the storage of grain from the boats when necessary the Port Authority have provided a system of barges which are filled by the floating elevators, which at the same time may be discharging direct to the granaries.

The Royal Edward Granaries, No. 1 of 10,000 tons capacity and No. 2 of 20,000 tons capacity, handle the bulk of the trade for distribution from Avonmouth. These two granaries are on the silo principle, and the capacity of each silo ranges from 60 tons to 400 tons of wheat each. There are 78 units in the No. 1 Royal Edward Granary (this is mostly used for storage and delivery) and 95 in No. 2, which latter are used for storage only, the grain being returned to No. 1 granary for delivery.

As so many Canadian grain exporters have in the past visited Bristol, and have expressed interest in the workings of these two large granaries, it may be explained that on arrival at the conveyor vans at the No. 1 granary the grain is passed through four automatic weighing machines weighing in units of 3,000 pounds. This is then elevated to the top floor and is conveyed by belts to the required silos in either granary, where delivery is given either in bulk or sacks to railway wagons or road vehicles. Generally the extra work of discharging in sacks is necessary owing to the fact that the railways in England have not got the facilities for handling grain with which Canadian railways are equipped. In the case of delivery by sacks these are weighed and checked through portable automatic weighers placed under the silo outlets. If, however, it is found necessary to discharge back to water craft again, delivery is made by means of conveyance bands back to the craft delivery plant, where the grain is weighed and delivered in either bulk or sacks as desired.

\$5,000,000 ROYAL EDWARD DOCK EXTENSION

The port of Bristol has already cost \$35,000,000 to date, and an additional \$5,000,000 is now being spent on extensions to the Royal Edward dock at Avonmouth. This work has been in progress for one and a half years and it will take another two years for completion.

It has been necessary to carve these huge docks out of the dry land, and some indication of the extensive excavations necessary is given from the fact that the new arm will be 1,700 feet long and 400 feet wide providing a length of 3,600 feet and a water area of about 21 acres. One's first impression on seeing the new work is a reminder of views of certain parts of the Panama Canal when excavations were in progress.

To provide for the increase in grain traffic a huge grain gallery is being constructed to permit of discharge from any berth to the accumulative transit granary, which will of course be provided with up-to-date weighing and distributing apparatus. The capacity of the new gallery will be 1,200 tons per hour, which means that ships can discharge at one or all berths at the same time.

An additional storage granary, No. 4, of 20,000 tons capacity and adjoining the Royal Edward Granaries is in course of erection. Still another granary at Avonmouth which is at the older docks has a storage capacity of 10,000 tons or 400,000 bushels.

BRISTOL CITY DOCKS OR FLOATING HARBOUR

The above harbour is situated in the centre of the city of Bristol, a distance of seven miles from the mouth of the Avon. Vessels up to 5,000 tons can make use of these docks owing to the heavy 40-foot tide of the Bristol Channel. At all times, with the exception of high tide, these large docks take on the form of a floating harbour as locks are necessary. In addition to numerous transit sheds there is an eight-story granary at the Princes wharf with a capacity of 16,000 tons. The equipment for handling grain is by electric elevators for discharging vessels and railway lines are laid on the quayside and inside the granary. There are also grain sheds adjoining of the two-floor type with 4,400 square yards of floor space.

PORTISHEAD DOCKS

On the opposite shore of the river Avon at the entrance of the Bristol Channel are located the Portishead docks. It is found in general practice that they are not much used in so far as Canadian grain shipments are concerned, although there are grain sheds with granary alongside, the latter having a capacity of 17,650 tons of wheat.

Summary of Port of Bristol Grain Capacity

Royal Edward dock (Avonmouth)	68,000 tons (including granaries building)
Avonmouth dock	31,838 tons
Portishead dock	29,650 tons
City docks	20,400 tons
Total	149,888 tons or 6,000,000 bushels

PORT OF BRISTOL DOCK DUES

The following condensed schedule of dues and rates on goods are applicable to any section of the port of Bristol, and such inward, foreign and colonial dues are subject to a surcharge of 10 per cent. A complete schedule of charges on flour was published in *Commercial Intelligence Journal* No. 1153, of March 6, 1926.

Articles	Outward, Per Ton	
	Foreign	Coastwise
	s. d.	s. d.
Wheat and maize	1 0	0 8
Barley	1 3	0 10
All other kinds	1 6	1 0
Flour	2 3	1 6
Barley meal, pearl and shell barley, meal and oatmeal	2 3	1 6
Bran, middlings, pollards, shudes and sharpes, and feeding meals not otherwise rated	1 9	0 9
Flour and meal of all kinds of grain in packets and cases	2 8	1 6

RAILWAY FACILITIES

All the docks of the port of Bristol are served by the Great Western Railway Company and the London, Midland and Scottish Railway Company, whilst numerous coastwise services are maintained to all parts of the United Kingdom. In addition to the railway and coastwise traffic there is a system of inland canals which are available into the Midlands and particularly into Birmingham.

ECONOMIC CONDITIONS IN SCOTLAND AND NORTHERN IRELAND

TRADE COMMISSIONER G. B. JOHNSON

Glasgow, May 24, 1926.—The really astonishing feature of the general strike, regarded in retrospect, was the complete success of the make-shift arrangements for the supply of food, gas, electric light, and other necessities, and after a day or two the running of great numbers of trains, trams, and omnibuses.

The writer is inclined to think, and this opinion is very prevalent, that the general strike, considering its result, has created a feeling of optimism in business circles, which will have a marked effect in hastening a return to pre-war prosperity. No doubt this will take some time to show itself, as the strike was costly and will be paid for in more unemployment and a temporary slowing down of the wheels of industry. Confidence, however, has undoubtedly been restored, through the belief that another general strike (and this one has been brewing for many years) can never again take place in this generation. On the other hand, the coal strike is still unsettled, and if it goes on long enough, crippling industry after industry, the country will be thrown back once more to the state it was in in the darkest period of the past five years.

While the general strike undoubtedly "cleared the air," its immediate effects are shown in a pronounced slowing down in the Clyde shipbuilding yards and engineering workshops. No new orders for ships have been booked, and indeed builders have been unable to submit tenders because costs could not be estimated nor time of delivery fixed. There is also greatly reduced activity in general and constructional engineering. In the iron and steel industry operations are still largely suspended owing to the scarcity of coal.

The general strike did not effect Northern Ireland directly, although the effects would naturally be felt there in a severe degree. The present conditions in that province may be described as similar to those existing in Scotland.

COMMERCIAL CONDITIONS IN TRINIDAD

TRADE COMMISSIONER J. CORMACK

Port of Spain, May 15, 1926.—The demand for foodstuffs in April was generally slow, but prices have been fairly well maintained except for fish, butter, pickled meats, and some other packing-house products. The lumber market was fairly active, but has now quietened down again. A steamer from Vancouver is expected this month, which may upset prices in flour, oats, lumber, and canned goods. Over 3,300 tons of general cargo were imported from Canada during April and 4,000 pieces of lumber.

The drought continued during April, but rain has since fallen in most districts. The reaping of the sugar crop is proceeding satisfactorily, and the yield is better than was anticipated. Prices are firm, and a rise is expected. The demand for cocoa is also satisfactory. The crop is now finished and, as next season's crop will probably be badly affected by the present drought, shippers have been buying strongly in the hope of a rise in price. There have been some inquiries from Canada for native coffee, but no sales are known. There has been no demand for cocoanuts, although copra is being exported regularly.

Ruling prices are as follow: cocoa, 13½ cents per pound c.i.f. New York; sugar, \$3.30 per cwt. c.i.f. Montreal; copra, £29 15s. c.i.f. London; coffee, 18 cents per pound native; cocoanuts, \$30 per M f.o.b. for selects; rum, 75 cents per imperial gallon for export.

A movement is on foot to create a wholesale merchants' association in this colony. Certain staple foodstuffs have been the subject of much local price-cutting and, as little or no profit can now be made on them, it is hoped by organization of merchants and commission agents to stabilize the wholesale prices of certain commodities.

THE DANISH MARKET FOR CANADIAN PRODUCTS

TRADE COMMISSIONER L. D. WILGRESS

[Subjoined is the second of a series of reports by Mr. Wilgress on the "Danish Market for Canadian Products", founded on a recent extended visit to Denmark in the interests of Canadian trade. The first part of the introduction, which dealt in general terms with Trade Resources, Communications, and Population was published in last issue. In subsequent issues the market for specific Canadian products will be surveyed under the following heads: Grain and Mill Products; Fresh Apples; Provisions; Seeds; Agricultural Implements; Rubber Goods; Motor Vehicles; Leather; and Miscellaneous Manufactured Goods.]

Introductory—II

DANISH AGRICULTURE

The basis of Danish agriculture, as already mentioned, is intensive animal husbandry. The change from grain-growing to this basis has been accomplished during the last sixty years and received its first impetus from the competition of cheap overseas grain. The process has been accompanied by an increase in the number of independent farms and by a great development of co-operation between Danish farmers in the working up and disposal of the products of their farms.

Denmark is essentially a country of peasant farmers. Over half the agricultural area is comprised of medium-sized farms of from 37 to 148 acres, whereas large farms of 300 acres or over account for less than a tenth of the total area. The great majority of Danish farmers cultivate their own land, only about 7.5 per cent of the farms being leased or tenanted. In 1919 there were a total of 205,929 farms in Denmark, of which 32 per cent consisted of medium-sized farms and 65.4 per cent were small holdings of less than 37 acres. The State by legislation has encouraged the establishment of small holdings and grants assistance in the form of loans, etc.

The development of intensive animal husbandry has resulted in every endeavour being made to cultivate the greatest possible quantity of fodder crops. A large proportion of the area cultivated with grain is utilized for crops which provide feed for cattle, and the growing of bread grains occupies only a secondary place. The area cultivated with root crops of a character suitable for fodder has been greatly extended and has supplanted a large part of the fallow and grazing lands. In 1924 the total cultivated area in Denmark was 6,795,250 acres, of which the grain area was 3,101,105 acres, while 1,171,254 acres were cultivated with potatoes and root crops, chiefly fodder roots. The area cultivated with wheat was only 148,260 acres and that with rye 464,548 acres.

The yield per acre is very high owing to the great quantity of natural manure available and to the extensive use of artificial fertilizers. The development of intensive animal husbandry has therefore had the result of increasing the crop yield, but the home-grown supplies of fodder are not sufficient for the requirements and have to be supplemented by imports of feeding stuffs, chiefly oilcakes and corn.

The yield of wheat in 1925 was 8,200,000 bushels and that of rye was 13,750,000 bushels. The wheat and rye crops would be sufficient for the country's requirements if a large part was not used for fodder. Moreover, the soil and climate of Denmark are not particularly suitable for wheat-growing and a very soft wheat is produced.

These considerations explain the fairly large imports of foreign agricultural products. Thus in 1925 there were imported 746,153 tons of oilcakes, 474,777 tons of corn, 350,275 tons of wheat and rye, and 116,074 tons of oats and barley, or a total of 1,687,000 tons, which is approximately one-fourth of the total harvest of all Danish crops.

The live stock population of Denmark on July 15, 1925, was as follows: horses, 537,698; cattle, 2,755,737; pigs, 2,546,266; sheep, 265,000; poultry, 20,134,000.

The chief aim of Danish agriculture is the production of butter and pork, with eggs as a secondary product of importance. In 1924 approximately 308,000,000 pounds of butter were produced, of which only 37,400,000 pounds were consumed within the country. Around four million pigs are annually slaughtered, in the export slaughter houses, of which nine-tenths are used for producing export bacon. The egg output may be estimated at about 143,000,000 pounds.

CO-OPERATION

A considerable proportion of the production of the above commodities is organized on the co-operative principle, which is the outstanding feature of Danish agriculture. Thus there are around 1,400 co-operative dairies, comprising 184,000 out of the 206,000 Danish farms as members. The co-operative dairies are supplied by about 86 per cent of the milch cows in Denmark. The number of co-operative bacon factories is now fifty-one, and they account for about 82 per cent of the total slaughtering for export. About three-fourths of the total stock of pigs belong to members of these societies. About 26 per cent of the poultry stock are the property of members in an export egg-collecting organization known as the Danish Co-operative Egg Export. An English writer has described Denmark as a vast factory producing goods on the co-operative principle for sale to the British market.

The strength of the Danish co-operative movement lies in the medium- and small-sized holdings, the great majority of members having farms of less than 147 acres. In addition to societies for the production and sale of agricultural products, the Danish farmers have organized breeding and control societies for improving the live stock strains and also societies for the co-operative purchase of feeding stuffs, fertilizers, seeds, machinery, and other supplies. The Co-operative Wholesale Society of Denmark is the central organization purchasing supplies for the distributive societies, of which there were 1,656 in 1919 with 316,846 members, of which 252,659 were in rural districts. The total turnover amounted to over \$35,000,000. The Co-operative Wholesale Society distributes selected seeds produced by the Danish Agricultural Societies Seeds Supplies. Other important distributive societies are the Co-operative Feeding Stuffs Societies—one for Jutland, one for the Islands, and one for Funen—which handle about one-third of the feeding stuffs imported into Denmark, and the Danish Co-operative Manure Supply Society with a membership of 74,000, which distributes about one-third of the total import of manures.

FISHERIES OF DENMARK

The long coastline of Denmark gives opportunities for a considerable fishing industry, which provides employment for about 19,000 persons. The total annual yield is about 68,000 tons of fish, of a value of about 34,000,000 kroner. The most important fish caught in the North Sea are plaice, haddock, and large cod, while in the inlets, along the eastern coast of Jutland and among the islands, the yield is chiefly of plaice, smaller cod, eels, herrings, and mackerel. There is also an important oyster fishery in the Limfjord in North Jutland, which in 1923 yielded over 1,000,000 oysters.

The employment of the Danish seine in the shallow coastal waters enables most of the fish to be sold alive. There is a considerable export of plaice, cod, haddock, herring, eels, and mackerel, which are either packed in ice or frozen. Herring are also exported to Central Europe both salted and smoked. About two-fifths of the total Danish catch of fish is exported.

MANUFACTURING INDUSTRIES

Denmark is not an industrial country in the sense in which that description is usually applied, and lacking commercial deposits of coal and iron ore, the essential resources are not present for the creation of a large-scale manufacturing industry. Nevertheless, a number of factories have been established in various branches of trade.

Most of the Danish factories are small undertakings. According to a census taken in 1914, there were only 264 industrial establishments employing over 100 workers each.

The majority of the factories supply goods required for the every-day use of the population, such as articles of apparel, manufactured food products, etc. The only industry of importance based on the working up of imported raw materials is the oil-crushing industry, which supplies vegetable oils to the domestic margarine and soap factories and oilcake to the farmers. Condensed milk is manufactured in Denmark almost exclusively for export. The cement industry is also of considerable importance for export. In the iron and steel branch the most important factories are those making dairy machinery, cement-making machines, diesel engines, refrigerating plant, etc. In recent years the assembling of motor cars from parts shipped over from the United States and Canada has become important. Other industrial products exported from Denmark are porcelain, beer, yeast, rennet, butter and cheese colouring, pencils, and roofing tiles.

Among the Danish manufacturing industries producing prepared foodstuffs may be mentioned 100 commercial flour mills, nine sugar factories and three sugar refineries, and 100 margarine factories. There are nine large oil-crushing mills, which in 1923 had an output of 182,000 tons of oilcake. The number of breweries in Denmark is 240, but only a few are large breweries. There are six distilleries and yeast factories, fifteen chocolate factories, and 634 tobacco factories, the chief product of the latter being cigars.

With regard to the textile and clothing industries, Denmark has five cotton-spinning mills, forty mills producing cotton and linen goods, fifty woollen spinning and weaving mills, and seventy knitting factories. There are fifty leather tanneries in Denmark and 110 boot and shoe factories. Rubber footwear is produced in one factory.

The production of Portland cement is carried on at seven works with a total output of 655,000 tons. There are five porcelain factories in Denmark and six glass works. The manufacture of bricks and tiles is conducted at many works all over the country.

In the iron and steel branch an important place is taken by shipbuilding, there being altogether thirteen shipyards. The production of agricultural and other machinery has already been mentioned and is carried on at many factories, there being over 100 iron foundries and 76 engineering works. There are also two large factories producing steel wire and electric cables, both of which do export business. The extensive use of bicycles in Denmark has led to the development of a considerable assembling industry.

Among miscellaneous industries there are ten paper factories with an annual output of nearly \$1,000,000, two match factories, thirty-nine soap and soda works, and eight rope works.

The above review of the manufacturing industries of Denmark will indicate that there are a considerable number of factories turning out goods required in the domestic market. In a few instances a surplus is available for export, but in the case of the majority of the commodities mentioned a considerable import is necessary to supplement the home production, while in the case of many lines of manufactured goods Denmark is dependent for the bulk of its requirements upon imports from abroad.

PRESENT TRADE CONDITIONS

The outstanding feature of the present economic situation in Denmark is the influence of the currency problem on the trade of the country. Since the latter half of 1924 there has been a steady appreciation in the exchange value of the krone, which has had a depressing effect on Danish trade.

Denmark was unable to avoid currency inflation in the years 1916 to 1924. The position was aggravated by the financial crisis of 1921-22, when the collapse of world prices involved many Danish firms in heavy losses. Various attempts were then made to stabilize the exchange value of the krone, but these were mostly unsuccessful until the Government passed the law of December 20, 1924, which aimed at progressive deflation.

By this law the National Bank undertook to maintain a minimum and gradually decreasing selling rate for dollars commencing with kr. 5.74 up to July 1, 1925; kr. 5.60 during the next half of 1925; kr. 5.46 during the first half of 1926; and kr. 5.32 during the last half of 1926. The par value of the Danish krone was \$0.268 or kr. 3.73 to the dollar. The necessary legislative measures were passed and a credit provided to enable the National Bank to carry out this policy.

That the policy has been successful in raising the exchange value of the krone may be seen from the following table taken from a review issued by Den Danske Landmandsbank and giving the average dollar rate for certain months during the past year and a half:—

	Average Dollar Rate	Gold Value of Krone
July, 1924	Kr. 6.25	59.7 Per Cent
December, 1924	" 5.69	65.6 "
June, 1925	" 5.24	71.2 "
December, 1925	" 4.03	92.6 "
January, 1926	" 4.04	92.4 "
February, 1926	" 3.95	94.5 "

The note circulation of the National Bank has been reduced from an average of 445,000,000 kroner in January, 1925, to 375,500,000 kroner in February, 1926. In 1914 the note circulation was a little over 150,000,000 kroner.

The deflation of the currency has therefore proceeded further than might have been expected when the above-mentioned law was passed. The National Bank has been relieved of its obligation to redeem its notes in gold until January 1, 1927, and it is now generally anticipated, as well as being the expressed desire of the Government, that a renewal of this dispensation will not be necessary. The return of Denmark to the list of gold standard countries in the near future would therefore appear to be assured.

This in some respects rather drastic deflation of the currency has not been accomplished without the inevitable consequences on trade and industry. The immediate effect has been a steady fall in commodity prices, which has served to greatly depress trade. Danish merchants have now for over a year been buying from hand to mouth. The fall in prices has been reflected in the profits of merchants, manufacturers, and shipping companies. Unemployment has been prevalent throughout the winter. The steady rise in the exchange value of the krone has resulted in Danish agriculturists receiving less in their own currency for their products exported to Great Britain. The currency deflation has therefore adversely affected all branches of Danish trade and industry.

The decline in commodity prices consequent on the currency deflation may be illustrated by the following table showing the wholesale price index of the Danish Statistical Department for certain months in the last year and a half:—

Before the war	100	October, 1925	179
January, 1925.. .. .	243	January, 1926	172
April, 1925	230	February, 1926	185
July, 1925	212	March, 1926	158

One of the chief problems of the deflation period has been the difficulty of adjusting wages to the fall in prices. The salaries and wages of State and municipal employees and most industrial wage agreements are based on the official half-yearly cost of living index, which is issued in February and August of each year. The index which was announced on February 9 last showed the very considerable fall of 25 points from 219 to 194. It has been estimated that this reduction will mean a decrease of nearly 100,000,000 kroner in the annual wage bill throughout the country.

The difficulty is that before wages can be again adjusted in August a further fall in commodity prices is taking place. Since the level of wages in Denmark is considerably higher than in most neighbouring countries, this consideration is proving a great handicap to Danish industries.

The number of unemployed in Denmark at the end of February was 79,500 as compared with 43,200 a year previously. The prevalence of unemployment is expected to continue until prices and wages become adjusted to the gold standard, when all branches of Danish trade and industry should begin to recover from the present depression.

The steady improvement in the exchange value of the Danish krone has naturally had a very depressing effect on import trade. Merchants have hesitated to place orders for imported goods beyond immediate requirements as they have always had to anticipate a further rise in the exchange value of the krone. This explains the slackness of the trade with Denmark in many lines during the past winter. As soon as the Danish krone attains its exchange parity the import trade should again become active.

ORGANIZATION OF DANISH COMMERCE

The feature of the commercial organization of Denmark may be said to be the concentration of a large share of the foreign trade of the country in the hands of a limited number of merchant firms. In most branches of trade there are a few Copenhagen firms who do the bulk of the business. While this factor simplifies the credit side of the trade with Denmark, it also frequently enhances the bargaining power of the leading importers.

During the war and the succeeding boom period there sprang up in Denmark a number of firms of a more or less speculative character, but most of these have been eliminated by the severe crisis which followed on the fall in prices. On the whole therefore the import trade of Denmark is now in the hands of sound, reliable houses, and although due care has to be exercised, the sale of goods to Danish firms is not attended with the same risks as business transacted with certain other European countries.

Commercial banking in Denmark is also largely concentrated in the four chief banks, whose head offices are in Copenhagen. Of these the Nationalbanken i København is the note-issuing bank and serves as the central financial institution. It is a private joint-stock bank, but the State receives a share of the profits. The other three large banks are the Privatbanken i København, Den Danske Landmandsbank, Hypotek og Vekselbank and the Københavns Handelsbank. The first-named has a capital and reserve of 87,000,000 kroner, the second of 110,000,000 kroner, and the third of 80,000,000 kroner. The other banks in Denmark are mostly provincial banks of local importance. In November, 1925, the total loans of the Danish private banks amounted to 2,252,000,000 kroner and the total deposits to 2,312,000,000 kroner.

The distribution of imported goods from Copenhagen throughout the country is rendered particularly easy by the coastal steamship services to nearly all important provincial towns in addition to the railways. Of late years there has been a considerable development of freight traffic by motor vehicles, which has been facilitated by the comparative flatness of the country and the network of good roads.

The total freight traffic of the Danish railways amounts to about 11,000,000 tons a year, which is three times the freight carried by the coastal steamers. The railway lines total about 3,400 miles, of which 1,600 belong to the Danish State Railways. A feature of the Danish railway system is the use of steam ferries to connect the lines on the various islands with one another and with those on the mainland. The steam ferry service between Gedser and Warnemuende is one of the chief means of communications with Germany.

TARIFF AND CUSTOMS REGULATIONS

The Danish customs tariff was completely revised in 1924, when mostly higher rates of duty were imposed chiefly to compensate for the increase in world prices in the case of the specific duties, but also in some cases to provide additional protection to Danish industries. The tariff, however, cannot be described as a protective tariff, and in most instances the rate of duty works out at less than 10 per cent of the value, being only higher in the case of luxury goods the import of which it is considered desirable to restrict. There is a fairly large list of commodities exempt from duty, and this includes many products imported from Canada. Among the duty-free imports are grain, milled products, feeding stuffs, seeds, most animal products, raw metals, iron and steel in bars and plates, etc.

The rates of duty are for the most part specific or so much per kilogramme, but ad valorem duties are in force for certain commodities, especially luxury articles. There are also a number of combined specific and ad valorem duties. Thus the duty on footwear is 60 öre per kilo plus $7\frac{1}{2}$ per cent of the value, that on motor cars is 25 öre per kilo plus 5 per cent of the value, and that on motor tires is 40 öre per kilo plus 6 per cent of the value. Among the most important ad valorem duties are that on silk goods, 35 per cent; that on electrical machinery, $7\frac{1}{2}$ per cent; that on other machinery, 5 per cent; that on skins with fur, 20 per cent; and that on all goods not otherwise mentioned, $7\frac{1}{2}$ per cent.

No consular formalities have to be complied with for goods exported to Denmark, but the exporter's commercial invoice to customer should contain the information required by the Customs authorities, especially in the case of articles subject to ad valorem duties. The invoice should be dated and signed by the seller, should contain a detailed description of the shipment, should show the date of purchase and the terms of payment. At least two signed copies of the invoice should be forwarded.

The value for duty purposes of goods subject to ad valorem duties is defined as the wholesale export price of the goods at the time when and at the place where they are purchased plus the cost of the outer and inner packing as well as all expenses for forwarding, insurance, etc., incurred up to the time of arrival at the place where the goods are cleared. The rate of exchange is taken to be that ruling on the date the goods were purchased, or, if that date cannot be verified, that ruling on the date of the invoice. In the case of goods subject to specific duties allowance is made for tare, which for some tariff items is given at a certain fixed percentage and for other items is subject to investigation.

Samples are exempt from duty if they "are considered unfit for other purposes." Advertising literature, including catalogues, may also be imported free of duty, if printed in a language other than Danish.

Certain goods imported into Denmark require to be marked with the country of origin, and these include roofing felt, pianos and organs, dry cells, and steel knives. There are also regulations in force regarding the marking of imported footwear.

REGULATIONS REGARDING COMMERCIAL TRAVELLERS

Commercial travellers visiting Denmark for the purpose of soliciting orders are required to take out a license, the cost of which has just been reduced from

400 kroner to 300 kroner. This license is available for one year, but a temporary license available for forty-five days can be taken out at the cost of 100 kroner. Additional fees are levied in the case of a traveller representing more than one firm. A certificate of a chamber of commerce or a declaration before a notary with a Danish consular visa must be presented when taking out the license. These regulations affect European exporters more seriously than they do Canadian firms.

PREDILECTION FOR BRITISH GOODS

A movement is now under way in Denmark to promote a sentiment in favour of the purchase of Danish goods with a view to reducing the unfavourable trade balance. This movement has resulted further in an agitation to favour goods of British origin in preference to those of other countries, since Great Britain is by far the best customer for Danish products, and the two other chief suppliers of goods to Denmark, viz. Germany and the United States, have recently taken measures to restrict importations from Denmark. The new duties introduced by Germany last year have hampered the export to that country of several Danish products, and in the case of live horses have dealt a blow to what had been a considerable trade. The United States have adopted measures to exclude the importation of Danish dairy products. It is therefore not surprising that the Danes should begin to develop a sentiment in favour of purchasing goods from Great Britain, which for a long period has proved such a good customer of the Danish agriculturist. This is a sentiment which Canadian exporters would do well to turn to their advantage, since Canadian goods are recognized as coming from a Dominion of the British Empire and are naturally preferred to the products of countries which have taken measures to exclude Danish products.

OPENINGS FOR CANADIAN GOODS

The remaining sections of this report will deal with the various lines of trade in which there should be an opportunity for further developing Canadian exports to Denmark. It will be seen that the chief openings are for the sale of those food products which Denmark requires to import and for such manufactured goods as can be supplied from Canada to compete with similar products supplied by manufacturers in Great Britain, Germany, and Sweden, who have the advantage of proximity to the Danish market.

Denmark is a good market for high-class products by reason of the fact that the standard of living is relatively higher than in most European countries. The population may be said to be divided between independent peasants of relatively high intelligence and town dwellers. The rate of wages in the towns is very high as judged by European standards. Unskilled workers at present receive as much as 11 kroner or \$2.75 a day at the current rate of exchange. These rates of wages combined with intensive agriculture in the country districts result in a relatively high purchasing power per head of population.

There is also the factor that Copenhagen is an important distributing centre for the Baltic countries. Copenhagen firms are therefore interested in the purchase of manufactured goods which are required in such countries as Sweden, Finland, Soviet Russia, Poland, Esthonia, Latvia, and Lithuania.

INDUSTRIAL CENSUS OF SWITZERLAND

There were, at the end of 1925, 8,147 factories in Switzerland falling under the law of control of manufactures, as against 7,998 in 1924. These factories employed a total of 364,247 workpeople, compared with 357,507 in 1924. The watchmaking industry leads with 1,131 factories, then wood with 1,074, clothing with 906, embroidery with 766, machinery and tools with 723, foodstuffs with 612, and metal with 612. The greatest number of workers is employed by the machinery and tool industry, i.e. 63,750 hands; then follows watchmaking with 43,557 workers.

ARTIFICIAL SILK INDUSTRY IN THE UNITED STATES

TRADE COMMISSIONER FREDERIC HUDD

New York City, May 28, 1926.—The artificial silk industry is of such recent development in the United States that detailed statistics are not available, but the Silk Association reports that there are several companies whose production in the last few years has become quite large. A number of concerns have been engaged in the development of new plants. Eleven companies are at present in the initial stages of production. An idea of the growth in production of rayon in the last few years may be formed from an examination of figures (in pounds) recently published by the Silk Association of America: 1916, 4,744,000; 1917, 6,687,000; 1918, 5,828,000; 1919, 8,000,000; 1920, 8,000,000; 1921, 15,000,000; 1922, 24,406,400; 1923, 35,380,500; 1924, 37,719,600; 1925, 52,209,225.

Complete statistics on the uses to which rayon is put are not available, but the figures furnished by the largest producers show that in 1925, 28 per cent of the product was used for hosiery, 26 per cent in combination with cotton goods, 16 per cent with silk goods, 13 per cent for underwear, and 5 per cent for knit outerwear, the remainder being used for various purposes.

POULTRY EXCHANGE IN NEW YORK

TRADE COMMISSIONER FREDERIC HUDD

New York City, June 1, 1926.—It is announced that as a result of a series of conferences with poultry dealers and commission merchants it has been agreed to form a New York Live Poultry Exchange to control the industry, which is stated to have a value of \$80,000,000 a year. Later it is proposed to take into the exchange the dressed poultry business, which would bring the total amount of business done by the exchange to \$200,000,000 a year. The organization will be operated along the lines followed by the New York Coffee Exchange, which was accepted as a model after an exhaustive study of the methods used in the New York Stock Exchange and other bodies.

The statement announcing the organization of the new exchange says:—

The Live Poultry Exchange will not only eliminate track buying, but also the guaranteeing of prices to shippers. All poultry will be sold on a strictly commission basis to the highest bidder. The greatest evil to be done away with by the exchange is the arbitrary fixing of prices. . . . Quotations in the exchange will be based on actual transactions in order to safeguard the interests of the shippers and to acquaint the public with actual conditions.

CONDITIONS IN THE UNITED STATES

A survey of current business issued by the United States Department of Commerce states that business activity increased during the early weeks of May as compared with the same weeks in 1925, and that production in April was the highest since 1918 and 2 per cent higher than a year ago.

DOMESTIC WASHING MACHINES IN ARGENTINA

J. MOREIRO AND D. FORSTER, OFFICE OF THE CANADIAN TRADE COMMISSIONER

Buenos Aires, May 8, 1926.—Even though modern methods are not greatly in vogue in Argentina, especially as regards domestic appliances, a market of fair proportions for washing machines may be developed in time. The demand for these machines is principally in the federal capital of Buenos Aires and in the larger provincial cities. In the interior of the republic the old methods that are employed are not likely to be altered for some time to come.

In 1921, 599 machines were imported, of which Germany is credited with 507 and the United States with 84. In 1924 only 102 were imported (Germany 59, United States 39). During 1925 the total was 382; the countries of origin for the latter are not yet available. Imports are duty-free.

Several of the importers interviewed stated that the types required are of wood or of metal, hand or mechanical, with a wringer attached or preferably with a centrifugal arrangement for drying purposes. The prices of these machines must be within the reach of the middle classes. The wealthy classes invariably take advantage of the service of the public laundries, which are well established in Buenos Aires, and the poorer classes cannot afford to buy mechanical aids. For these reasons it is necessary for a machine to be offered at a low price. Machines on the market range from 60 paper pesos (\$24) upwards.

The favoured German machine is of metal, 3 feet 8 inches high, 1 foot 8 inches wide. This machine has a perforated drum which revolves and is submerged in the water. Underneath is a small stove with which the liquid used for washing is kept at the required temperature. It is generally considered that this is the type which will have most success, and consequently any Canadian machine on the same lines might also obtain a share of the market.

In the case of electrical washing machines the motors should not be included as they could probably be obtained to better advantage in Buenos Aires. Washing machines of elaborate manufacture would not have much demand because of their high price, nor would those driven by water-power because the pressure here would hardly be sufficient.

There is practically no local manufacture. A few works have produced different models of washing machines, but so far there is nothing done on a commercial scale.

The best way for a Canadian manufacturer to test the possibilities of a demand for his products in Argentina is to offer to send a machine of proved efficiency and of low price on consignment to some wholesale importer of allied lines. In this connection the Trade Commissioner at Buenos Aires will be pleased to assist any Canadian manufacturer who is disposed to go into the matter thoroughly. It will probably be necessary to adopt some form of propaganda, either direct with householders or through newspapers. Quotations should be made c.i.f. Buenos Aires.

PERU AS A MARKET FOR CANADIAN PRODUCTS

TRADE COMMISSIONER E. L. MCCOLL

[Subjoined is the eighth of a series of reports on Peru, which has been prepared by Mr. McColl after a recent visit to that country, in which he investigated the openings for Canadian trade. Those on Wheat and Flour and other Foodstuffs were published in Nos. 1160 and 1161; on Tools and Hardware, Machinery, and Vehicles in No. 1163; on Lumber and Paper in No. 1164; on Iron and Steel and Miscellaneous Products, on Peculiarities and Difficulties of the Market, and on Trade of Canada with Peru, in No. 1165; Currency, Budget, Exchange, and Banking in No. 1166; and that on the Tariff, Documentation, etc., in No. 1162.]

Agriculture, Mining, and Railways

AGRICULTURE

Agriculture is the principal source of Peru's wealth, and mining is a close and important second. Minerals sent out of the country in 1925, however, exceeded agricultural products, the disastrous floods early in the year having reduced the exportable surplus of the latter. Cotton and sugar are the principal agricultural products grown and exported. Cereals, vegetables, and fruits in great variety are cultivated for home consumption. These include rice,

cocoa, corn, wheat, coffee, barley, potatoes, beans, grapes, oranges, and bananas. Some of these commodities are being exported in small but increasing quantities each year.

Peru possesses all degrees of climatic variation from the heat of the tropics in the lowlands to the cold of snow and ice amid the glaciers of the Andes. Under such conditions her products of agriculture are of great variety. The agricultural districts of Peru may be divided into three climatic zones: (1) the Montana or eastern side of the Andes, including the upper valley of the Amazon, where rubber, coffee, and other tropical products are to be found; (2) valleys and tablelands amongst the Andes, where cereals and fruits are grown; (3) the Pacific coast, where sugar cane and cotton form the backbone of the republic's wealth.

Although there is little rain on the Pacific side of the Andes, there are a number of rivers which not only water their immediate locality but serve, by means of an extensive system of irrigation, to bring large areas of fertile soil under cultivation. In fact, irrigation has been practised in Peru since pre-historic times, many of the works now in use having their origin in the Inca or pre-Inca period. A systematic programme of irrigation construction now being carried on by the Government is converting from day to day what at first appears to be desert lands into fertile plains and valleys.

The scheme includes bringing the waters of the Huancabamba river, now running wastefully into the Amazon, by an eighteen-mile tunnel to the Lambayeque river. This will permit large additional areas of good cotton country in the Chiclayo, Sechura, Catacaos, and Piura districts to be brought under cultivation. If the Government's plan is carried through to completion the present agricultural crops of the country will be doubled. The Government is also determined to speed up road building as lack of communications between centres of production has been a great drawback to the extension of markets and the development of trade within the country. With this object in view, a road-building law is being enforced with excellent results. All capable men are being conscripted to do a certain number of days' work on the roads in their respective localities or pay a fixed amount for privilege of exemption.

The value of agricultural products exported during the years 1925 and 1924 was as follows:—

	1925	1924
Cotton	\$24,267,000	\$25,834,000
Sugar	8,635,000	19,906,000
Other agricultural products	3,413,000	3,316,000
Total	<u>\$35,315,000</u>	<u>\$49,056,000</u>

COTTON

The cultivation and export of cotton is the premier industry of Peru. Both in production and export it exceeds in value any other product, although it is closely followed by petroleum, sugar, and coffee. It is estimated that there are 674 cotton plantations with a net area of 284,000 acres under cultivation. In 1916 the total number of employees engaged was 20,514. In 1923, 35,000 men and 6,000 women were employed in the field at an average daily wage, without food, equivalent to 81 cents and 44 cents respectively. The two Departments of Lima and Ica produce about 80 per cent of the crop, the former supplying 50 per cent and the latter 30 per cent of the total.

Peruvian cotton exports for 1925 amounted to 39,903 tons valued at \$24,267,000. The disastrous floods of February and March, 1925, were wholly responsible for large losses which would undoubtedly have been turned into the customary annual increase had weather conditions been normal. The shortage in the cotton crop was reflected in the marked decline in the exportation of cotton seed and oilcake. The following are the varieties of cotton with the quantities

(in tons) of each shipped during 1925: Tanguis, 32,631; smooth Egyptian white, 2,871; Malafifi White, 2,293; seven other varieties, 2,108.

A comparison of the above figures shows to what extent Tanguis is the backbone of Peruvian cotton cultivation. Although the total production of cotton declined in 1925, Tanguis showed a marked increase. Figures are not available for production for the last two years. However, as the amount of raw cotton consumed within the country is not large, export figures are sufficient to serve as an indication. In statistics of production Tanguis does not appear until 1918, when 2,470 tons were harvested. The 1923 crop produced 22,030 tons, while 26,928 tons and 32,928 tons were exported during the year 1924 and 1925. The amount of Tanguis exported compared to the total was 67 per cent and 81 per cent respectively for the last two years mentioned.

The cultivation, spinning and weaving of cotton was an advanced industry of the Incas before the advent of the Spaniards. The latter thought only of the precious metals which had attracted them to Peru, so that all their attention was directed towards mining to the neglect of the agricultural possibilities of the country. Up to the early days of the republic there was no trace of organized cultivation, and it has only been in recent years that seed selection and other scientific methods have caused cotton to become the mainstay of the country's wealth.

Peru has been no more immune from cotton parasites than any other of the cotton-producing countries. The "Wilt" or "Decaimiento," as it is called in Peru, appeared in 1908 in the Department of Ica, the second in importance of the cotton districts. This parasite, which attacks the roots of the plant, spread with such rapidity that the cultivation of cotton was threatened with extermination. The industry was, however, saved by the seed-selection method of Senor Fermin Tanguis, who was born in Porto Rico in 1851. Sr. Tanguis went to Peru in 1872, where he eventually took up cotton cultivation. The seeds with which he worked were "Smooth American," known locally as "Egipto." He planted these seeds in the infected area and gathered seed from those plants which had best resisted parasitic attacks. The selected seeds were planted, and again only the seeds of the most healthy plants were used. The third attempt resulted in one single healthy plant growing to maturity. Only the seed from this plant was used in the fourth attempt. This method of selection resulted in the production of plants which were almost totally immune from the ravages of the "Decaimiento." Sr. Tanguis thus gave his name to a class of cotton which was destined to become one of Peru's chief sources of wealth. Tanguis produces about 811 pounds of 1 $\frac{3}{4}$ -inch fibre known as "half-rough" to the acre.

SUGAR

There are about 138,000 acres of land under sugar cultivation, which produced 317,500 tons of raw sugar and 1,500,000 gallons of alcohol during 1924. A small quantity of this sugar is refined for local consumption. Employees number 25,000 men and 1,000 women in the field and 5,000 men in the mills. The average salary paid in the field is, without food, the equivalent of 74 cents per day for men and 45 cents for women, while the mill wage for men averages 96 cents per day. The section of the country most suited to sugar cultivation is a strip of land along the northern coast about 35 miles in width by some 1,400 miles in length. Many small rivers cross this area, but they are not much more than streams, some of them drying up during the summer months when they are most needed. However, the crops are protected by a regular and abundant supply of irrigation water flowing through the carefully made furrows which run beside each row of cane.

During 1924, 317,500 tons of sugar were produced, 52,000 tons being consumed within the country and 265,000 tons exported. Peruvians are very

optimistic about the future of sugar cultivation in the republic. Each hectare (2.47 acres) produces 90 tons of milled cane, which they claim is much ahead of any other cane-growing country. The Department of Libertad is the largest-producing state, furnishing 40 per cent of the total annual crop.

COFFEE

Peruvian coffee of a very fine aroma, colour, and exquisite flavour is produced in the "Montana," but as the territory is difficult of access there have been no extensive developments as yet. About 250 trees are planted to the acre, the average yield being about three pounds of beans per tree. Exports for 1924 and 1925 were valued at \$39,000 and \$131,000 respectively.

RICE

There are 266 rice plantations in Peru with 85,805 acres sown. For the year 1923, the last year for which statistics are available, 65,141 tons were produced. Since 1915, 25,000 acres have been added to the area under cultivation. During the period 1915-23 field employees have increased from 9,020 to 15,775, the average daily wage for the last year being 55 cents, without food.

The three Departments of Pacasmayo, Chiclayo, and Lambayeque produce 80 per cent of the total crop, which consists chiefly of two varieties, Carolina and Jamaica. The best grades are exported, and an inferior grade is imported for the consumption of the labouring classes. Exports for 1924 were valued at \$54,000, and for 1925 at \$81,000.

MINING

Peru's mineral production has increased from \$5,528,000 in 1903 to \$47,458,000 in 1923, at which time the industry employed 20,000 workmen. The value of exports for 1925 and 1924 was as follows:—

	1925	1924
Petroleum	\$22,505,000	\$24,080,000
Copper	16,984,000	14,309,000
Other metals and minerals	5,250,000	6,377,000
Total	\$44,729,000	\$44,766,000

Petroleum is now the most important of Peru's mineral resources. Production in 1918 reached 335,000 tons, while exports for 1925 were 951,412 tons. The discovery and employment of oil in Peru dates to pre-historic times, having been used by the Incas, and Pizarro, the Spanish conqueror, is known to have visited the hand-made oil pits during his Peruvian campaign.

To-day there are several strong petroleum companies holding claims and operating in the north of the republic close to the Ecuadorian frontier, which is the only territory being worked at present. The most important companies are the Lobitos Oil Fields Limited of London, organized in 1908. This company has a paid-up capital of £400,000. The International Petroleum Company, Limited (Imperial Oil Company, Limited), chartered in 1920 with head offices in Toronto, is very active and is responsible for large shipments of oil to Canada. Another important company is the British Controlled Oil Fields, Limited, which came into existence early in 1918. The Peruvian Corporation and the Peru Syndicate Limited are two British companies actively interested in petroleum in Peru. The former, as is stated on another page, owns the British railways in the republic.

Peru possesses two refineries, one of which, located at Talara, refined by far the greater proportion of the crude oil treated in the country. It is said to handle about 1,200 metric tons a day, turning out gasoline, kerosene, lubricating oils, etc. Faustina G. Piaggio and Cia. (founded in 1879) operate important wells, in connection with which, located at Zorritos and owned by the same company, is a refinery which treats all the company's crude oil. This organization sells its own products, including fuel and lubricating oils, gasoline, benzine, kerosene, etc. It has received various gold medals for these products in several international exhibitions in Europe and America.



COPPER

This metal follows petroleum in importance in Peru's list of minerals. Production has gradually risen to 40,000 tons per year: the exports for 1925 were 36,799 metric tons. The most modern refinery equipment is used in order that the utmost value can be obtained from low-grade ores.

The principal copper-mining company operating is the Cerro de Pasco Copper Company, an American organization, and its subsidiary, the Backus & Johnston Copper Company. During 1925 the Cerro de Pasco produced over 36,000 metric tons of copper, 16,000,000 ounces of silver, and over 50,000 ounces of gold. This company owns 191 kilometres of railway which serves the extended area under control. Owing to damage claims by owners of the agricultural country in the vicinity of the mines, the company purchased the properties concerned and now finds itself proprietor of 400,000 acres of grazing land and over 30,000 to 40,000 head of live stock.

For some time back the Northern Peru Mining and Smelting Company, a subsidiary of the American Smelting and Refining Company, has been in possession of considerable mining property in the Department of La Libertad and elsewhere in northern Peru, about 100 kilometres inland from the port of Pacasmayo. The company has now commenced to open up these properties, and already considerable progress has been made with one called "Chilete."

The following shows the growth of production of copper between the years 1903 and 1923: 1903, 9,497 tons; 1913, 27,776 tons; 1923, 44,166 tons.

RAILWAYS

Railway construction in Peru commenced in 1851 with about eight miles of track between the port of Callao and Lima, the capital, and there are now 2,000 miles of trackage. On January 11, 1890, the Peruvian Corporation, a London company, came into existence and took over all the Peruvian State railways which were then operating. This company now controls in Peru seven disconnected railway systems, the total mileage amounting to 1,090. These railways do not connect with one another, but go straight inland from the coast, serving to join up each of the developed areas with its nearest port. These seven systems, as shown on the accompanying map, with mileage, are: Paita-Piura, 60.5; Pascas-Mayo, 81.9; Trujillo, 71.7; Chimbote, 35.4; Central, 259.1; Pisco-Ica, 46; Southern, 535.

The total rolling stock of all these railways amounts to the following: locomotives, 128; first- and second-class coaches, 139; baggage cars, 27; freight and oil cars, 1,374; service cars, 47.

The Central and the Southern Railways are the most important of those controlled by the corporation. The Central Railway, commencing at the port of Callao and passing through Oroya, is one of the scenic wonders of the world. Within ten hours the passenger is conveyed through the cotton fields, gardens and fruit orchards of the tropics to snow and glaciers 170 miles from the sea. The train passes over rushing torrents, and glides along countless precipices until it reaches the continental divide at an altitude of 15,661 feet. A branch from the main line reaches a height of 15,806 feet. The trip is considered one of the most enjoyable, memorable, and thrilling of mountain railway journeys.

THE SOUTHERN RAILWAY

The Southern Railway is the most important of the Peruvian Corporation's system. It runs inland from the port of Mollendo, passing through Arequipa, the metropolis of southern Peru. This territory, the heart of Inca civilization, is full of scenic and historic wonders. The line continues northeast from the port for some 300 kilometres until it branches at right-angles to the northwest

and southeast, the northern arm going to Cuzco, the ancient capital, and the southern arm to Puno on Lake Titicaca, which is the route to La Paz, the capital of Bolivia.

Additional to the Peruvian Corporation railways there are some 900 miles owned by the Government and private interests. This mileage is made up mostly of a large number of small unimportant and disconnected lines.

PROPOSED RAILWAYS

There are several railway lines which the Government is anxious to see constructed. In order of importance or necessity these are: (1) a line running northeast from the Oroya-Cerro de Pasco railway to Pucallpa; (2) a line connecting up the town of Cajabamba with the Chimbote-Huailas railroad; (3) a line running west from Cuzco to Huancavelica in the direction of Lima.

There is a real desire to connect up Lima with Cuzco, and this projected link will go a long way towards its achievement. At the present time all the produce for export of the Cuzco area has to go via Arequipa and Mollendo. The route via Lima would not only be better, but a larger local market would be available for the producers of this fertile section of the country. Such a line would also open up new territory for intensive cultivation. The Government receives a large yearly revenue from the National Tobacco Monopoly, which by law must be applied to railway construction.

Railway development has followed three directions: (1) connecting different points on the coast with the interior for direct shipment of supplies to developed areas; (2) branch lines from the railways described in (1) running in the general direction north and south close to and more or less parallel to the coast. Up to the present there has been no attempt to construct a through trunk line connecting up these independent systems. (3) The third system runs more or less north and south in the valleys of the Andes, serving one of the most productive parts of Peru in broken stretches from the Ecuadorian frontier on the north to Lake Titicaca at the Bolivian border on the south.

TRADE AND ECONOMIC CONDITIONS IN CHINA

TRADE COMMISSIONER L. M. COSGRAVE

Shanghai, May 10, 1926.—Trading conditions throughout Central China, particularly in Shanghai, continue to improve and are closer to normal than has been the case for the past two years. Staple commodities such as piece goods, heavy machinery, steel products, and foodstuffs are being sold in increasing quantities. The most noticeable feature of the market is, however, the forward commitments now being made by responsible Chinese dealers, indicating considerable confidence throughout the Yangtze valley in the stability of the present political leaders.

There is a steady demand for Canadian flour, though the mills are holding off further purchases of wheat pending definite reports of the domestic crops.

The larger importing firms, who for the past year have not exhibited any great interest in new lines, are again sounding the foreign markets for buying connections and local representation for attractive lines of light manufactured goods, and as a result there is considerable activity throughout the wholesale trade. German and Japanese firms are supplying keen competition in many lines hitherto supplied chiefly by British and American firms, but it is understood there is some difficulty in making deliveries. As a result, responsible Chinese dealers are inclined to ignore the more tempting prices and to confine their business to those houses which have proved themselves satisfactory in previous years.

The political situation in the north is still somewhat vague, though a fairly strong interim government has been formed composed of representatives of the various parties now in the ascendancy.

It is reported in responsible circles that there are signs of a weakening in the anti-British boycott in South China and the general feeling is that normal relations will be resumed before the autumn. In the meantime, practically all trade with Canton is being conducted through Shanghai, where numerous Cantonese firms have temporarily established branch offices. Hong Kong is, however, functioning normally, and the perusal of the yearly financial budget which covers the main period of the boycott formed a pleasant surprise, as the deficit was no larger than the previous year, whereas bank deposits were up a considerable amount.

THE RUBBER INDUSTRY OF JAPAN

TRADE COMMISSIONER JAMES A. LANGLEY

Kobe, May 19, 1926.—The rubber industry in Japan has grown in a remarkable way during the last thirteen years. In 1913 there were only six rubber plants in Japan, while by 1922 this number had increased to 152; and by 1925 the total stood at 180.

The total consumption of rubber goods in Japan during 1925 was valued at about 35,000,000 yen and of this amount between 8,600,000 and 8,700,000 yen represent purchases of automobile tires, while 3,500,000 yen represent imports from the United States and France. The balance is made up of goods of Japanese manufacture consumed.

The principal manufacturing centres for rubber goods with values of output are as follows: Hyogo prefecture, 15,000,000 yen; Tokyo prefecture, 12,000,000 yen, and Osaka prefecture, 7,000,000 yen; but Hiroshima, Kanagawa, Okayama, and Kyoto prefectures manufacture to a certain extent.

COMPETITION KEEN

According to a leading authority in the rubber industry, the demand in Japan for rubber goods is steadily increasing, but competition is keen and dealers are quoting very close prices as a result of which business is being conducted on a narrow margin of profit, but on account of the increasing demand there is a large turnover.

The firm of Dunlop Rubber Co. (Far East) Ltd., with a plant in Kobe, is the most prominent of the domestic manufacturers, making about half the automobile tires used in the country, as well as a wide range of other goods. One or two Japanese firms make automobile tires on a small scale. The fact that the Dunlop Company is a British firm explains why there are practically no imports of tires from Great Britain.

In imports from the United States averaging 3,200,000 yen annually, the Goodrich Company has the largest volume of business, followed by the Goodyear, Firestone and the United States Rubber Companies. There is a small importation of Michelin tires from France, but the volume does not exceed 200,000 yen per annum.

MANUFACTURE OF SMALL TIRES

There is practically no importation of bicycle or jinrikisha tires into Japan, but the domestic consumption amounts to about 10,000,000 yen a year. Shoes are also manufactured to the value of 5,000,000 yen annually. Some rubber shoes are imported from Canada, but one American brand is probably best known on the market.

After tires and shoes, the following manufactures are next in importance: tabi and zori soles, balls, sheeting, belts, sanitary appliances and medical goods.

The rise in raw rubber prices has not resulted in a corresponding increase in the selling prices of the finished commodities. While the cost of raw materials has gone up, the market for the manufactured article has not increased to more than 40 per cent.

A list of the more important rubber manufacturing companies in Japan with their products is on file at the Department of Trade and Commerce, Ottawa, and may be obtained on application to the Director, Commercial Intelligence Service (quoting file No. T.C.-7-110).

THE PARIS FAIR

TRADE COMMISSIONER HERCULE BARRÉ

Paris, May 22, 1926.—The Eighteenth Paris Fair opened its doors on May 8, and will conclude on May 24. It eclipses all previous fairs in attendances and in the volume of business done by exhibitors.

The catalogue of the fair extends to some 752 pages with a 72-page supplement. Over 6,000 exhibitors are listed, first in alphabetical order and then in groups. Foreign exhibitors totalled 341, representing 19 countries. Included are 111 from Mexico, 52 from Poland, 48 from Germany, 29 from the United States, 26 from Belgium, 26 from Italy, 15 from England, 12 from Switzerland, and 5 from Holland. Heavy oil engines form a most important group at the fair, and the exhibits of wireless telegraphy and telephony were numerous and comprehensive. A fine display was made by the French colonies in raw materials and specialties. Denmark, Norway, Switzerland, Finland, Russia, Holland, Argentina, New Zealand, and Italy have exhibits of dairy products such as condensed milk, butter, cheese, and yeast, some of these being fairly comprehensive. One Dutch firm shows a cheddar cheese of good appearance, and it was stated as being exported to England in fair quantities. Canadian dairy products are not shown, yet Canadian cheddar is marketed under the name of English Chester and sold in hundreds of shops in Paris and throughout France at a price which would show a good profit if imported direct from Canada.

The suggestion is made that if Canada would be represented at next year's Paris Fair her natural resources and manufactured goods would become better known in France and new markets would thereby be created in other countries of Europe sending buyers to the fair. Canadian firms already doing business in France might have a combined exhibit of their goods with addresses of local distributors. Such products as pulp and paper, dairy products, fresh, dried and preserved fruits, canned goods and cereal foods should be included, as well as agricultural implements, wood-working machinery, and asbestos. Immediate steps would have to be taken to secure space for next year's fair in order to organize and collect exhibits, graphics, and documents, and to prepare literature. Any Canadian section would require to be backed by a press campaign before, during and after the fair.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Peruvian Consular Regulations

"During the absence of the Peruvian Consul at Montreal, the Consulate General of Peru at New York," writes Mr. Frederic Hudd, Canadian Government Trade Commissioner, "has been legalizing consular invoices for Peruvian shipments from the Montreal district. The Peruvian Consulate advises also that this matter may be attended to by Mr. Adrien Falardeau, Peruvian Consul at Quebec. Canadian firms, at their discretion, may apply to either place to have documents viséd."

Invoicing Goods to Netherlands East Indies

According to a report received from Mr. R. S. O'Meara, Trade Commissioner at Batavia, Java, the customs regulations of the Netherlands East Indies do not call for the production of invoices for imported goods. On this account, there are no special requirements with which firms making out invoices must comply. Persons interested in the import, the export, the transport to or from the customs area, the storage in bond, the discharge, etc., of goods are required, however, to furnish *declarations* in regard to them.

If interested persons, with a view to confirming their declarations, submit *invoices* or other documents, such must be no less correct than the declarations themselves. The tendering of false invoices in case of dispute is punishable by Royal Decree No. 35 of February 15, 1913 (Indisch Staatsblad 1913 No. 32).

The *general* requirement with which invoices, if they are submitted, must comply is, thus, in the interest of the persons concerned themselves, that they should be in accordance with the facts.

Tariff Changes in Mexico

Writing under date May 20, 1926, the Trade Commissioner in Mexico City advises that the following changes have been made in the Mexican Customs Tariff:—

Fraction 222-A.—Bars of iron or steel, of a diameter in excess of four centimetres, for use in ore crushers (formerly free), changed to 7 centavos per gross kilo., equal to 1.58 cents per pound.

Fraction 222-B.—Sieves, wedges, dies, linings, jaws and shoes, of iron or steel, for use in ore crushers, 7 centavos per gross kilo., equal to 1.58 cents per pound. (New item.)

The above are subject to the usual surcharges for federal and municipal purposes, totalling 12 per cent of the duties.

TENDERS INVITED

New Zealand

Copies of plans and specifications have been received from Mr. C. M. Croft, Canadian Trade Commissioner at Auckland, for equipment required by the Public Works Department, the Post and Telegraph Department, and the New Zealand Government Railways, Wellington. These specifications and drawings are open for inspection at the Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa. Tenders should be addressed to the Secretary, Public Works Supplies and Tenders Committee, the Controller of Stores, Post and Telegraph Department, and the Railway Board, Railway Buildings, Wellington, in accordance with these specifications.

Public Works Department.—Manufacture, supply and delivery of three motor-driven pumps, with priming station for the drainage of Taieri Plains. (Tenders close September 28.) Section 165, Arapuni Electric Power Scheme: one synchronous condenser, complete. Tenders close September 7.

Post and Telegraph Department.—500 dry cells, telephone type, for use with slot telephones; 100 dry cells for use with portable telephones. Tenders close August 10.

New Zealand Government Railways.—Supply and erection at Hillside, near Dunedin, of six steel-framed buildings and two crane-gantries, in accordance with specification, conditions of contract and drawings; supply and erection at Addington, near Christchurch, of seven steel-framed buildings and one crane-gantry, in accordance with specifications, conditions of contract and drawings. Tenders close November 1.

Australia

Copies of tender forms and specifications have been received from Trade Commissioner D. H. Ross, Melbourne, for supply and delivery of one laminated spring plate finishing press, to drawing and as specified, required by the Victorian Government Railways, Melbourne.

The tender forms and specifications are open to the inspection of interested Canadian manufacturers at the Department of Trade and Commerce, Ottawa (refer to file No. 29077).

Tenders in conformity to the specification should be promptly addressed to the Secretary, Victorian Government Railways, Melbourne, Australia.

Harbour Improvements in Mexico

Writing under date of May 28, the Trade Commissioner in Mexico City advises that the Mexican Government is inviting tenders for work at the Port of Mazatlan, situated in the state of Sinaloa, on the west or Pacific coast of the republic. The work consists of the following items:—

Two breakwaters, of a length of 470 and 262 metres, respectively.

Two sea walls, of a length of 60 and 280 metres, respectively.

The dredging of a channel 150 metres wide and 1,600 metres in length, forming an approach to the dock.

Dock at the northern end of channel.

Two unloading and loading docks.

Wall forming the boundary of docks and channel.

Filling dredged material to reclaim foreshore.

Specifications and plans may be seen on application to the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa, quoting file No. T.C.-7-114.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING JUNE 7, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending June 7, 1926. Those for the week ending May 31, 1926, are also given for the sake of comparison.

		Parity	Week Ending	Week Ending
			May 31, 1926	June 7, 1926
Britain	£	1.00	\$4.86	\$4.8550
Belgium	Fr.	1.	.193	.03177
Czecho-Slovakia	Crown	1.	.203	.0296
Finland	Mark	1.	.193	.0252
France	Fr.	1.	.193	.03297
Holland	Florin	1.	.402	.4015
Italy	Lire	1.	.193	.03807
Spain	Pes.	1.	.193	.1504
Portugal	Esc.	1.	1.08	.0520
Switzerland	Fr.	1.	.193	.1934
Germany	Reichs Mk.	1.	.238	.2380
Greece	Dr.	1.	.193	.0130
Norway	Kr.	1.	.268	.2190
Sweden	Kr.	1.	.268	.2675
Denmark	Kr.	1.	.268	.2632
Austria	Schilling	1.	.14125	.1412
Japan	Yen	1.	.498	.4700
Siam	Tical	1.	.3709	.4550
India	R.	1.	2s.	.3665
United States	\$	1.	\$1.00	.9993
Mexico	\$	1.	.498	.4885
Argentina	Pes. (Paper)	1.	.424	.4012
Brazil	Mil.	1.	.324	.1512
Roumania	Lei	1.	.198	.....
Jamaica	£	1.	4.86½	4.8425
British Guiana	\$	1.	1.	.....
Barbados	\$	1.	1.	.....
Trinidad	\$	1.	1.	.....
Dominica	\$	1.	1.	.....
St. Kitts	\$	1.	1.	.....
Grenada	\$	1.	1.	.....
St. Vincent	\$	1.	1.	.....
Tobago	\$	1.	1.	.....
Shanghai, China	Tael	1.	.708	.7562
Batavia, Java	Guilder	1.	.4020	.4031
Peru	Crown	1.	4.86½	3.615
Singapore, Straits Settlements ..	\$	1.	.567	.5725

1.0075—1.01875 1.0075—1.01875

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

598. FLOUR.—A firm of import and export merchants in Athens are desirous of importing flour. Canadian millers who are not yet represented in Greece would do well to communicate.

599. CANNED GOODS.—A broker in Bristol desires to represent Canadian packers of canned goods, particularly fruits. Only those engaged in export trade desired.

600. CANNED SALMON.—A commission house in Trieste, Italy, with connections mainly in Jugo-Slavia, Czecho-Slovakia, etc., desires to secure the agency for Canadian canned salmon.

601. BUTTER.—An established firm of agents in Liverpool are anxious to get in touch with Canadian exporters not represented in this area for the coming season. Would be quite prepared to accept sub-agency under representatives already appointed in other centres provided such an arrangement could be made.

602. GRANULATED SUGAR.—Importer in West of Ireland is willing to undertake representation.

603. FEED WHEAT.—A firm in the North of Ireland desires to hear from some Canadian shippers of feed wheat suitable for poultry feeding, for which there is a growing demand. Quotations should be c.i.f. Belfast or Londonderry, with 10- to 20-ton deliveries to start.

Miscellaneous

604. PATENT LEATHER.—A firm of importers and exporters in Leicester desire quotations from Canadian manufacturers of patent leather who are not represented in the United Kingdom.

605. BOOTS AND SHOES.—A large established Liverpool retail house from time to time import job lots of women's and children's boots and shoes, which manufacturers in overseas countries are unable to dispose of through lack of demand, style changes, etc. Interested Canadian firms are invited to submit samples and c.i.f. prices when they have anything to offer.

606. PAPER BAGS.—A Dublin agent is willing to represent Canadian exporters.

607. WOODEN TAPS.—An old-established firm of cork merchants in Melbourne desire to receive samples and prices of wooden taps for use on casks and barrels of all kinds.

608. PAPIER-MACHÉ BUCKETS.—An old-established firm of cork merchants and bottlers' suppliers in Melbourne desire to receive samples and f.o.b. steamer prices of papier-maché buckets of one- and two-gallon capacity, for use by wine and spirit firms, aerated water manufacturers, etc.

609. MACHINERY; BUILDERS' STORES; HARDWARE.—A London firm of indent merchants who purchase machinery, builders' and contractors' stores of all kinds, and hardware, upon behalf of branches in the Sudan, agents in India, and also for customers in other countries, are prepared to consider offers from Canadian manufacturers. Canadian firms interested should forward to the indent firm direct several copies of their catalogue, accompanied by any details which they wish to submit.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To LONDON, PLYMOUTH AND CHERBOURG.—Antonia, June 19; Ascania, June 26; Ausonia, July 3; Alaunia, July 10—all Cunard Line.

To LONDON.—Bothwell, June 19; Brandon, June 26—both Canadian Pacific; Canadian Aviator, June 17; Canadian Hunter, June 26; Canadian Trapper, July 7—all C.G.M.M.

To LIVERPOOL.—Kelvinia, June 17; Gracia, June 24—both Cunard Line; Megantic, June 19; Doric, June 26; Canada, July 3; Regina, July 7—all White Star-Dominion; Montrose, Canadian Pacific, June 25.

To AVONMOUTH.—Oxonian, June 19; Welshman, June 26; Huronian, July 10—all White Star-Dominion; Concordia, Anchor-Donaldson Line, June 26.

To GLASGOW.—Carmia, June 18; Letitia, June 25—both Anchor-Donaldson; Metagama, Canadian Pacific, June 17.

To SOUTHAMPTON.—Melita, June 16; Minnedosa, June 30—both Canadian Pacific.

To MANCHESTER.—Manchester Brigade, June 17; Manchester Regiment, June 24; Manchester Hero, July 1—all Manchester Liners.

To CARDIFF AND SWANSEA.—Canadian Leader, June 18; Canadian Commander, July 2—both C.G.M.M.

To DUBLIN AND BELFAST.—Carrigan Head, Head Line, June 27.

To ANTWERP.—Melita, June 16; Minnedosa, June 30—both Canadian Pacific; Canadian Aviator, June 17; Canadian Hunter, June 26; Canadian Trapper, July 7—all C.G.M.M.

To ROTTERDAM.—Porsanger, Intercontinental Transports Ltd., June 30.

To HAMBURG.—Hastings County, Intercontinental Transports Ltd., June 26.

To ITALIAN PORTS.—Valcerusa, Lloyd Mediterraneo Italian Service, June 23.

To AUSTRALIAN PORTS.—Canadian Miller, C.G.M.M., July 10; Hinnoy, New Zealand SS., June 21.

To NEW ZEALAND PORTS.—Canadian Cruiser, C.G.M.M., June 25; Baron Kelvin, New Zealand SS., June 21.

To SOUTH AMERICAN PORTS.—Augvald, Houston Line, June 25.

To WEST AND SOUTH AFRICAN PORTS.—Calumet, Elder Dempster Line, June 20.

To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Otter, June 23; Canadian Runner, July 3 (calls at Guadeloupe); Canadian Squatter, July 13—all C.G.M.M.

To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Fisher, C.G.M.M., June 30.

To ST. JOHN'S, NFLD. (via CHARLOTTETOWN).—Canadian Sapper, C.G.M.M., June 30.

From Quebec

To GLASGOW.—Montnairn, Canadian Pacific, July 1.

To LIVERPOOL.—Montroyal, Canadian Pacific, June 18.

To SOUTHAMPTON.—Empress of Scotland, Canadian Pacific, June 23.

To HAMBURG.—Empress of Scotland, Canadian Pacific, June 23.

From Halifax

To LIVERPOOL.—Newfoundland, Furness, Withy, June 30.

To ST. JOHN'S, NFLD.—Newfoundland, Furness, Withy, June 30; Farnorth, Farquhar SS., June 26, July 7.

To NEWFOUNDLAND SOUTH COAST OUTPORTS AND ST. PIERRE-MIQUELON.—Skipper, Farquhar SS., June 22, July 6.

To NEWFOUNDLAND WEST COAST OUTPORTS.—A steamer, Farquhar SS., June 29, July 13.

To BERMUDA, ST. KITTS, ANTIGUA, MONTSEERAT, DOMINICA, ST. LUCIA, BARBADOS, ST. VINCENT, GRENADA, TRINIDAD AND DEMERARA.—Chaleur, R.M.S.P. Co., June 18.

To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, June 16, July 14.

From Vancouver

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Russia, Canadian Pacific, June 24.

To YOKOHAMA, KOBE, SHANGHAI AND HONG KONG.—Empress of Australia, Canadian Pacific, July 8.

To YOKOHAMA, KOBE AND HONG KONG.—Tyndareus, Blue Funnel Line, June 24.

To YOKOHAMA, KOBE, DAIREN, TAKU AND SHANGHAI.—Arabia Maru, June 16; London Maru, July 2—both Osaka Shosen Kaisha.

To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Africa Maru, Osaka Shosen Kaisha, July 7.

To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Aorangi, Canadian-Australasian Line, June 30.

To WEST COAST UNITED KINGDOM PORTS.—Canadian Highlander, C.G.M.M., June 11.

To LIVERPOOL.—Grootendyk, late June; Drechtdyk, early July—both North Pacific Coast Line; Pacific Trader, Furness Pacific Ltd., July 1.

To LONDON AND ANTWERP.—Grootendyk, late June; Drechtdyk, early July—both North Pacific Coast Line; Canadian Pioneer, C.G.M.M., July 10.

To ROTTERDAM.—Grootendyk, late June; Drechtdyk, early July—both North Pacific Coast Line.

To HAMBURG, ANTWERP AND BREMEN.—Justin, June 19; Osiris, July 3—both United American Lines.

To BORDEAUX, HAVRE AND ANTWERP.—Montana, Cie. Gle. Transatlantique (French Line), June 25.

To BARCELONA, MARSEILLES, GENOA, NAPLES AND TRIESTE.—Fella, Navigazione Libera Triestina, June 20.

To AUSTRALIAN AND NEW ZEALAND PORTS.—West Calera, Pacific Australia Line, June 17.

To PUERTO-COLOMBIA, CURACAO AND TAMPICO.—Point Reyes, Pacific Caribbean Gulf Line, June 22.

LISTS OF ACTS ADMINISTERED AND PUBLICATIONS ISSUED BY THE DEPARTMENT OF TRADE AND COMMERCE

Applications for these Acts of Parliament and other publications in this list, together with remittances for the same, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution".

Copper Bars and Rods Bounty Act. Copyright Act.
Electricity and Fluid Exportation Act. Electricity Inspection Act.
Electric Units Act. Gas Inspection Act. Gold and Silver Marking Act.
Grain Act. Hemp Bounty Act. Inland Water Freight Rates Act.
Patent Act. Statistics Act. Trade Mark and Design Act.
Timber Marking Act. Inspection of Water Meters Act.
Weights and Measures Inspection Act.

MISCELLANEOUS

Annual Report of the Department of Trade and Commerce. (Price 10 cents.)
Annual Report of the Board of Grain Commissioners for Canada. (Price 25 cents.)
Annual Report of Weights and Measures, Electricity and Gas. (Price 10 cents.)
Canada-British West Indies-Bermuda-British Guiana-British Honduras Trade Agreement (1925). (Price 10 cents.)
Canada West Indies Conference (1920). (Price 25 cents.)
Canada-West Indies Conference Report, (1925). (Price \$1.)
Dominion Grain Research Laboratory (1920). (Price 10 cents.)
Electrical Standards and their application to Trade and Commerce.
Final Report of the Fuel Controller (1920).
Grain Inspection in Canada (1914). (Price 25 cents.)
Imperial Fruit Show (1923).
List of Licensed Elevators, etc. (Price 50 cents.)
Motion Pictures, Catalogue of. (Price 10 cents.)
Pan-Pacific Commercial Conference (1923). (Price 25 cents.)

PUBLICATIONS OF THE COMMERCIAL INTELLIGENCE SERVICE

NOTE.—Publications of the Commercial Intelligence Service are free to subscribers to the Commercial Intelligence Journal.

Commercial Intelligence Journal Weekly (In English and French), containing Reports of Trade Commissioners and other Commercial Information. Annual Subscription: In Canada, \$1; single copies, 5 cents. Outside Canada \$3.50; single copies, 10 cents.
Chinese Markets for Canadian Products (1919). (Price 25 cents.)
German War and its Relation to Canadian Trade (1914). (Price 25 cents.)
Indian Empire as a Market for Canadian Products (1922). (Price 25 cents.)
Markets of British Malaya (1923). (Price 25 cents.)
Markets of Jamaica and the Republic of Colombia, Venezuela and Panama (1922). (Price 25 cents.)
Packing for Overseas Markets (1922). (Price 25 cents.)
Preferential Tariffs of British West Indies (1922). (Price 25 cents.)
Report of Special Trade Commission to Great Britain, France and Italy. (French and English) 1916). (Price 25 cents.)
Representation in British and Foreign Markets (1923). (Price 25 cents.)
Republic of Chile: Its Economic Condition and Trading Opportunities (1923). (Price 25 cents.)
Republic of Peru: Its Development and Commercial Opportunities (1923). (Price 25 cents.)
Russian Trade (1916). (Price 25 cents.)
Trade after the War (1916). (Price 25 cents.)
Timber Import Trade of Australia (1917). (Price 25 cents.)
Trade between Canada and the British West India Colonies (1920). (Price 25 cents.)
Trade of the New Countries of Southeast Europe (1921). (Price 25 cents.)
Trading Opportunities in Scandinavia (1922). (Price 25 cents.)
Trading with Egypt (1921). (Price 25 cents.)
Trading with Greece (1921). (Price 25 cents.)
Trade with South China (1918). (Price 25 cents.)
Trading with Spain (1920). (Price 25 cents.)
Toy Making in Canada (1916). (Price 25 cents.)
West Africa and its Opportunities for Canadian Trade (1921). (Price 25 cents.)

PUBLICATIONS OF THE DOMINION BUREAU OF STATISTICS

The following is an abbreviated list of publications of the Bureau of Statistics.

Census of Canada.
Census of Prairie Provinces (1916).
Miscellaneous Statistics respecting the following: Criminal; Education; Finance (Provincial and Municipal); Transportation, including railways and tramways, express, telegraphs, telephones water, etc.; Production, including agriculture, furs, fisheries, forestry, mining and manufactures: Vital (annual and monthly).
Monthly Bulletin of Agricultural Statistics
Year Book of Canada.
Report of the Dominion Statistician, Annual.
Trade of Canada (Imports and Exports), Annual and Monthly.
Trade (Internal), including grain, live stock, coal prices, etc.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 40, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

James Cormack. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela). *Cable Address, Canadian.*

P. W. Cook. Address for letters—P. O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300. Office—North China Daily News Building, 17 The Bund, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Gutrufhaus, Neuerwall 10, Hamburg 36. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czechoslovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watermill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230, office. Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

Netherlands East Indies

R. S. O'Meara, P.O. Box 84, Batavia, Java. (Territory covers Straits Settlements, Federated Malay States, Indo-China, and Siam.) *Cable Address, Canadian.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P.O. Box 683. Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia.) *Cable Address, Sleighing, London.*

J. Forsyth Smith, Century Bldgs., 31 North John street, Liverpool. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales). *Cable Address, Cantracom.*

Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands). *Cable Address, Canadian.*

Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, June 19, 1926

No. 1168

TABLE OF CONTENTS

	Page		Page
Effect of German Government Policy on Grain and Flour Trades	679	Peru as a Market for Canadian Products—VIII	788
Danish Market for Canadian Products—III: Grain and Milled Products	773	Douglas Fir Market in China	791
Economic Conditions in the Netherlands	776	Venezuelan Shipping Facilities	791
Embargo on Importation of Continental Meat Carcasses into Great Britain	778	Modification of Corn Borer Quarantines between Canada and the United States	792
Liverpool Lard Market	779	Trade Commissioner E. L. McColl's Itinerary in Canada	793
Canadian Cattle Shipments to Liverpool and Manchester	780	Agricultural Implements and Machinery in Demand in England	793
Industrial Conditions in the North of England	781	British Guiana's Forests	794
Effect of Strike on West of England Butter and Cheese Prices	782	Guatemala's Purchasing Power	794
Grain Trade and Grain Handling Facilities at Bristol Channel Ports	783	Trade Inquiries for Canadian Products	795
Jamaican Market for Refrigerators and Kitchen Cabinets	785	Foreign Exchange Quotations for Week ending July 14, 1926	797
Commercial Conditions in Argentina	786	Proposed Sailings from Canadian Ports	797
Argentine Laws Regarding Food Products	787	List of Acts Administered and Publications Issued	799
		Commercial Intelligence Service	800

EFFECT OF GERMAN GOVERNMENT POLICY ON GRAIN AND FLOUR TRADES

TRADE COMMISSIONER L. D. WILGRESS

[NOTE.—1 Reichsmark (R.M.) = \$0.238; 100 kg. = 220 pounds.]

Hamburg, May 25, 1926.—The outstanding feature of the present situation in the German grain and flour trades is the uncertainty as to the probable outcome of the Government measures proposed in support of agriculture.

Firstly, there is speculation as to the new customs duties on grain and milled products, which will come into effect on August 1, when the temporary agricultural duties imposed last summer lapse. Secondly, there are the possibilities involved in the Government rye price stabilization scheme, which has taken the form of a grain trading company with wide powers and supported by a proposed Government loan.

NEW GRAIN DUTIES

The first definite intimation as to duties which will be imposed on grain after August 1 is contained in the German-Swedish Commercial Treaty, the terms of which were announced on May 18. The duties on grain specified in this treaty involve considerable increases over the present duties, as the following table will show:—

	Present R.M. per 100 kg.	Treaty with Sweden R.M. per 100 kg.	Pre-war Conventional R.M. per 100 kg.	Pre-war General R.M. per 100 kg.
Rye	3.00	6.00	5.00	7.00
Wheat	3.50	6.50	5.50	7.50
Barley . . . . .	..	5.00	..	7.00
Feeding	1.00	..	1.30	..
Malting	3.00	..	4.00	..
Oats	3.00	6.00	5.00	7.00

No duties for corn or flour and other milled products are specified in the German-Swedish Trade Treaty.

Too much importance should not be attached to the grain duties set forth in the Swedish treaty. In the first place, Sweden exports practically no grain to Germany and can have had little interest in obtaining concessions in regard to grain duties. Secondly, the treaty has to be ratified; and thirdly, if lower duties are specified in any other treaty to be concluded by Germany, the benefits of these lower duties will be automatically extended to Sweden under the most-favoured-nation clause.

Nevertheless the announcement of the relatively high conventional grain duties specified in the treaty with Sweden has given rise to considerable speculation as to the future. It is assumed that on August 1 the duties on grain will be considerably increased and that general rates of duty higher than the conventional rates specified in the Swedish treaty may be introduced.

THE DUTY ON FLOUR

Nothing definite can yet be reported as to the duty which will probably be imposed on flour after the present rate of 8 reichsmarks per 100 kg. lapses on July 31 next. According to the present law, the pre-war general rate of 18.75 reichsmarks should then go into force, but this regulation may be changed by the Government before the above date. A trade treaty may be also concluded with some other country providing for a conventional duty on flour.

It is assumed that any increase in the duty on bread grains will bring about a corresponding increase in the duty on flour in order to maintain the existing protection to the German milling industry. On this basis if the conventional duty on wheat is 6.50 reichsmarks, as specified in the treaty with Sweden, the corresponding duty on flour should be at the present ratio around 14 reichsmarks per 100 kg. as compared with a pre-war conventional rate of 10.20 reichsmarks.

The German agriculturists are beginning to realize more and more that a relatively higher duty on flour than that on grain brings little benefit to the farmers but only additional profits to the millers. On the other hand, it is probable that the millers can rely on continued tariff protection against foreign flour, particularly in view of the importance attached to having large domestic supplies of mill offals available for fodder purposes.

From September 1 last, when the duty on flour went into effect, up to the end of March, Germany imported 63,466 metric tons of wheat flour or approximately 9,000 tons a month as compared with 409,673 tons or 58,000 tons a month for the same period a year previously and 1,500 tons a month before the war. The exports of wheat flour from Germany in the period from September to March last amounted to 39,140 tons, or only 24,326 tons less than the imports, so that the German mills may be said to have practically supplied the country's requirements for wheat flour in addition to providing an export surplus in the case of rye flour.

The German mills grinding foreign wheat have absorbed nearly the whole benefit of the difference in duty between wheat and flour, so that Canadian flour is frequently competitive in price in addition to being recognized as superior in quality. For pastry-making Canadian flour is often found indispensable, while the continued prohibition of night baking inclines many bakers to pay more for Canadian flour even than for German flour milled from a large percentage of Canadian wheat. In spite of the high duty Canadian flour therefore continues to be imported into Germany at the rate of approximately 3,000 tons a month. Whether it will still be possible to import Canadian flour after the revised duties go into effect on August 1 remains to be seen.

A process of consolidation has recently been going on in the German flour-milling industry. Several of the largest mills in the Berlin district have com-

bined, while other large milling concerns have been buying out small mills. In some cases these consolidations have resulted in the shutting down of the more unprofitable mills and in other cases of modernizing and increasing the capacity of the more profitable units.

EFFECT OF EXPORT BOUNTIES

There has been a considerable increase in the exports of German grain since the "Einfuhrschein" system of bounties went again into force on October 1 last. This system is the same as that in effect before the war. On the export of grain or milled products the shipper is given a certificate which can be used for the duty-free import of a corresponding quantity of grain. In the case of flour exported the certificate is made out for an equivalent quantity of grain.

Under this system considerable quantities of German wheat have been shipped during the past winter to Great Britain, Italy, and Holland. During the six months from October 1 to March 31 last there were exported under this system the following quantities (in metric tons) of grain and flour: wheat, 442,080; rye, 298,997; wheat flour, 15,811; rye flour, 10,027; barley, 6,570; oats, 65,409.

As the total imports of wheat during the six months in question amounted to only 496,642 metric tons, Germany exported under the bounty system almost as much wheat as she imported. This system has given an impetus to the trade in Canadian wheat with Germany, as it has been a paying proposition to export the inferior German wheat in order to secure duty-free imports of the better-quality Canadian grain.

Rye Price Stabilization

The Government scheme for stabilizing the domestic price of rye may be regarded as a remarkable attempt at price regulation, the outcome of which it is difficult to foresee.

In order to properly appreciate the circumstances which have led the Government to undertake this experiment, it is necessary to consider the difficulties experienced by German agriculturists and those industries depending on agriculture during the last few years.

POSITION OF AGRICULTURE

During the inflation period the agriculturists received good prices for their products as compared with the prices of the industrial articles which they required to purchase. To preserve their profits and working capital from depreciation they were compelled to invest largely in new plant and equipment. Thus during this period the German farmers improved their buildings and purchased new machinery. The end of the inflation therefore found them with greatly increased fixed capital, but very short of working capital. In this respect agriculture has been similarly placed to nearly all other industries in Germany. The relief of the shortage of working capital has been the chief problem confronting German economists during the last two years.

The poor rye harvest of 1924 resulted in the prices for rye nearly attaining the prices for wheat. A greatly increased acreage was sown with rye in 1925 and a bumper crop of 8,000,000 tons of rye was harvested in addition to the very large potato crop of 50,000,000 tons. Low prices resulted. The farmers had largely financed their purchases of fertilizers and other requirements on short-term acceptances. As these fell due they were forced to sell their grain for sacrifice prices, which in many cases did not yield sufficient funds to pay their debts.

FORMATION OF GERMAN GRAIN TRADING COMPANY

This is the situation which has been receiving the careful attention of the Government throughout the past winter and has led to several measures being

adopted in support of agriculture, such as the provision of credit facilities, etc. It also resulted in an agitation for measures to stabilize the price of rye, particularly during the autumn period. At first it was proposed to continue for a further year the Government grain trading organization or Reichsgetreidestelle, which was in liquidation. This proposal met with such opposition that it was abandoned. The suggestion was then made to utilize the surplus capital of the Reichsgetreidestelle, amounting to 30,000,000 reichsmarks, for the purpose of stabilizing the price of rye.

This suggestion was actively supported by the nitrogen and potash syndicates, who were carrying a large amount of unpaid farmers' acceptances in their portfolios, and by the agricultural co-operative societies, who had suffered losses through the agricultural depression. These organizations formed a company with a capital of 50,000 reichsmarks to carry out the proposal. A bill was passed by the Reichstag on March 27 which empowered the Government to extend to a trading company a credit of 30,000,000 reichsmarks out of the capital of the Reichsgetreidestelle for a period of three years against an annual interest charge of $1\frac{1}{2}$ per cent.

In order to receive this credit the original company formed by the agricultural organizations was changed on April 23 into a new company, the Deutsche Getreide-Handelsgesellschaft m.b.H., or German Grain Trading Company, with a capital of 15,000,000 reichsmarks, of which 9,000,000 reichsmarks were to be subscribed by the central organization of the agricultural co-operative societies, 3,600,000 reichsmarks by the Nitrogen Syndicate, and 2,400,000 by the Potash Syndicate. The object of the company was to be the regulation of the German price of rye, and it therefore has the right to buy, sell, store, transport, hypothecate, import and export bread grains; to acquire, rent, lease, and mortgage real estate, particularly warehouses for the storage of grain. It is also empowered to establish branches both at home and abroad.

ATTITUDE OF GRAIN TRADE

When the bill was being debated in the Reichstag the Minister of Food and Agriculture declared that the grain trade and the milling industry would be given the possibility of participating in the enterprise. On the formation of the company an offer was made that the grain trade, the millers, the bakers, the consumers, and the basic slag and phosphate industries should subscribe 24 per cent of the total capital as against 76 per cent allotted to the agricultural organizations already mentioned. This offer was refused by the parties concerned as inadequate, the grain trade and the millers refusing to subscribe capital without a voice in the management. At a later meeting held on May 19 efforts were made to find a compromise, but the grain trade and the millers rejected further offers which did not give them an active share in determining the policy of the company.

The grain trade on their part have proposed that instead of advancing a credit of 30,000,000 reichsmarks to a private company, this sum should be utilized for providing long-term credits to agriculture through the established channels. In this proposal they find support in the announcement made by the President of the Reichsbank at the meeting of the German Agricultural Council on May 7, that the chief need of agriculture was long-term credits and that the policy of the Reichsbank would be to place funds out of its resources for this purpose. Hitherto agriculture had been financed to too great an extent on short-term acceptances, which from the very nature of farming were unsuitable.

The grain trade made this proposal as a means of assisting agriculture without damaging established trades. They further suggested measures for increasing the consumption of rye, such as propaganda in favour of pure rye bread rather than mixed bread, which since the war has become popular; the

greater use of rye for the manufacture of alcohol; the encouragement of exports; and the use of rye for fodder in place of expensive imported feeding stuffs.

The proposals of the grain trade were answered with the fact that the bill for carrying out the organization of German Grain Trading Company had already been passed. Further measures for securing the participation of the grain trade, the millers and the bakers are now being considered, so that it is probable that the company will actively operate along the lines proposed, although the extent of its activities cannot be foreseen. At the most the means of the company will only permit the purchase of 300,000 tons of rye, and it is unlikely that this quantity can serve to regulate prices. It would therefore appear probable that the operations of the company will be chiefly confined to tiding over the critical autumn period by holding stocks until prices become firm. The possibility of the company operating in wheat as well as rye should not be overlooked.

THE DANISH MARKET FOR CANADIAN PRODUCTS

TRADE COMMISSIONER L. D. WILGRESS

[Subjoined is the third of a series of reports by Mr. Wilgress on the "Danish Market for Canadian Products", founded on a recent visit to Denmark in the interests of Canadian trade. The first two, introductory to the series, were published in Nos. 1166 and 1167.]

Grain and Milled Products

Hamburg, April 15, 1926.—In the introductory report it was pointed out that grain and milled products account for 64 per cent of the total value of Canadian products at present exported to Denmark. During the year 1925 Canadian flour millers shipped to this market 238,240 barrels of wheat flour of a total value of \$1,700,000, while the export of Canadian wheat to Denmark in the same period amounted to 775,577 bushels of a total value of \$1,269,000. In addition, barley, oats, and rye were shipped to the total value of \$720,000, and oatmeal and rolled oats to the value of \$16,600.

It was also shown in the introductory report above referred to that Danish agriculture is organized for intensive animal husbandry, and that a large proportion of the cultivated area is devoted to the growing of fodder crops such as fodder roots. Even a considerable part of the bread grains grown are normally fed to cattle, especially when the cost of imported corn is high. Denmark has therefore to import from abroad grain and milled products, while the home supply of feeding stuffs has also to be supplemented by a large import of oilcakes and corn.

The total imports of various kinds of grain and milled products during the year 1925 were as follow: wheat, 5,694,662 bushels; rye, 7,766,570 bushels; oats, 1,746,170 bushels; barley, 3,875,000 bushels; corn, 474,777 tons; wheat flour, 457,160 barrels; rye flour, 40,000 barrels; oatmeal, 6,831,440 pounds. It should be pointed out that in 1924 there was a comparatively poor harvest of wheat and rye and that this resulted in the imports of these grains during 1925 being larger than usual. Last year there was a good harvest in Denmark, so that imports this year should not be so considerable. The following are the total yields of wheat and rye in the last three years:—

	Wheat Bushels	Rye Bushels
1923	8,800,000	14,930,000
1924	5,866,000	10,230,000
1925	8,200,000	13,750,000

SOURCES OF SUPPLY

If the figures of import into Denmark during 1925 are compared with the Canadian statistics of exports to that country in the same year, it would appear that approximately half the Danish requirements for wheat flour and 13.6 per cent of the wheat imported were supplied from Canada.

The Danish statistics are unsatisfactory for ascertaining countries of origin, as Canadian products shipped through ports in the United States are usually credited to that country. Moreover, the provisional trade returns for 1925 do not show sources of supply. In the complete trade returns for 1924 Canada is given as a source of supply for 19.4 per cent of the wheat and 16.5 per cent of the wheat flour imported into Denmark as against 31.2 per cent and 73.5 per cent respectively, which are given as the shares of the United States in the supply of these products to Denmark.

The only other important suppliers of wheat in 1924 were Germany and Argentina, while Sweden contributed 7 per cent of the total imports of wheat flour. The rye imported into Denmark in 1924 came chiefly from Germany, the United States, Russia, Canada, Argentina, and Danzig. Barley and corn were imported mostly from the Black Sea, South America, and Germany. Sweden was the chief source of supply for rye flour, and the United States, Sweden, and Canada for oatmeal and rolled oats.

TRADE IN WHEAT AND FLOUR

The bulk of the population in Denmark consume rye bread, but the use of wheat bread has been increasing. A large number of town dwellers have in recent years become accustomed to eating wheat bread. The soil and climate of Denmark are not very suitable for wheat growing and a very soft kind of wheat is produced. In order to make satisfactory flour Danish wheat has to be mixed with imported hard wheat, and for this purpose Canadian wheat is in demand. This explains also the large import of Canadian flour, which the bakers use for mixing with the domestic flour. Since for mixing purposes a strong gluten content is desired, the Canadian product is preferred to all other flours.

It is estimated that the large flour mills in Denmark use imported wheat to the extent of one-quarter or more of their requirements. There are sixteen large commercial mills, the largest of which has a capacity of 800 barrels. The total milling capacity of these sixteen flour mills is over 8,000 barrels a day, so that they could supply the country's requirements for flour. There are two flour-milling associations, one of which has been advocating restrictions on the import of foreign flour, while the other approves of the importation of North American wheat flour for mixing purposes.

GRAIN REQUIREMENTS

The chief demand in Denmark is for No. 1 and No. 2 Manitoba wheat and Western rye No. 1 and No. 2. Practically no soft wheat is imported. Sales are usually made in accordance with the London Corn Trade Association's contract for shipments to the Continent. The leading exporters cable quotations regularly to their Copenhagen agents, who canvass orders from the importers for a commission of 1 per cent.

In addition to wheat and rye imports for home consumption, there is a certain amount of transit business in these grains transacted with other countries. Thus in 1925 there were re-exported from Denmark 321,090 bushels of wheat and 83,325 bushels of rye.

DANISH REQUIREMENTS FOR WHEAT FLOUR

The largest demand in Denmark is for export patent flour, followed by first clears. There is little sale for the other grades of wheat flour. About 75 per cent of the total trade is in the export patent grade and the remaining 25 per cent in finest first clears.

The bulk of the flour imported into Copenhagen is packed in 50-kg. (110 pounds) cotton sacks, but 100-kg. (220 pounds) sacks are also used. Very little flour is imported into Copenhagen in 140-pound jute sacks, and then only in the case of second clears.

The terms of payment are usually three days after arrival of steamer in Copenhagen or three months' confirmed credit ("rembourse") in New York.

Flour is imported into Denmark mostly under exporter's brands, but the tendency has been for an increase in the use of importer's brands. It is probable that before long the bulk of the flour imported will carry importer's brands.

The majority of the agents of the foreign flour-milling companies work for a commission of 2 per cent. In some cases Canadian flour millers have only sub-agents in Copenhagen of general agents located in some other Scandinavian centre. In other cases the Canadian exporter works exclusively with one large import firm, supplying the latter with flour under their own brand.

PRESENT DEMAND FOR FLOUR

The sales of Canadian flour to Denmark have not been so large this season as in the previous year, due chiefly to the larger and better-quality Danish wheat crop in 1925. There has therefore not been the same demand for Canadian flour for mixing purposes as was the case following the 1924 crop, when the Danish wheat was very soft and the total yield was below the average.

The exchange factor has also had a depressing effect on the flour trade. Danish importers have only been buying sufficient quantities for immediate requirements, as otherwise they would have suffered losses with each fresh appreciation in the exchange value of the Danish krone.

A third factor affecting the sale of Canadian flour in Denmark has been the competition of Swedish flour under the system of export bounties instituted by the Swedish Government. This system is somewhat similar to that in force in Germany, whereby on the export of flour the millers are given the right to import a corresponding quantity of grain free of duty. During 1925 Sweden exported 9,045 tons of wheat flour, of which 5,556 tons were shipped to Denmark and 2,472 tons to Finland. The Danish millers have complained against this competition of Swedish flour. It may also have affected to some extent the market for Canadian flour in Denmark, but as the Swedish flour was milled partly from domestic wheat, and as Canadian flour is so highly valued for mixing purposes, this factor cannot have been of very great influence.

TRANSIT TRADE IN FLOUR

The re-exports of wheat flour from Denmark during 1925 amounted to 12,978 barrels as compared with 14,000 barrels in the previous year. Of the latter quantity 45 per cent was shipped to Sweden, 13.5 per cent to Latvia, and 10.5 per cent to Iceland. Greenland, Germany, the Faroe Islands, and Danzig took the bulk of the remainder.

The exports of Danish flour in 1925 totalled 110,313 barrels as against 72,370 barrels in 1924, when Germany, Danzig, and Iceland were the chief markets.

OATS AND BARLEY REQUIREMENTS

Rolled oats are not manufactured so extensively in Denmark as in Norway and Sweden, but there is a considerable importation of oats for feeding purposes. Last year Canada shipped to Denmark 372,838 bushels of oats valued at \$247,689. Normally most of the oats required are imported from Germany, Sweden, Latvia, and other European countries. Nos. 2 and 3 feeding oats are chiefly in demand from Canada.

Both feeding and malting barley are imported into Denmark, and last year Canada exported to that market 271,212 bushels valued at \$263,312. Most of

the barley imported into Denmark comes from the Black Sea, with Germany and the River Plate as the next most important sources of supply. At the same time Denmark is a large exporter of fine feeding barley to Great Britain and Germany, where Danish island barley has a high reputation.

ROLLED OATS

A number of the Danish provincial mills produce rolled oats, but in most cases their costs of production are too high to permit them to meet competition from the United States. They often secure higher prices on the grounds of freshness and better quality, but this applies chiefly to a few well-introduced brands. The bulk of the rolled oats used are imported, principally from the United States. In 1925 total imports of oatmeal and rolled oats amounted to 6,831,440 pounds as compared with 7,469,220 pounds in 1924. Nearly two-thirds of the latter import were supplied by the United States. Sweden and Canada were the only other countries to supply any quantity.

The terms of payment and other details for rolled oats sold to Denmark are similar to those applicable to the trade in wheat flour.

OILCAKES

The trade in oilcakes with Denmark is of large proportion, but the only product of this kind which Canada might supply would be linseed cakes. Copenhagen importers have endeavoured to buy linseed cakes from the Dominion, but they have always found that the Canadian mills have a more profitable outlet for their product nearer at hand. Linseed cakes are mostly imported in jute bags of 100 kg. Quotations are usually c.i.f. Copenhagen per long ton and payment on three months' confirmed credit in New York.

OTHER GRAIN AND MILLED PRODUCTS

It was not considered possible that Canada could compete in the supply of the other grain and milled products imported into Denmark. Thus wheat bran was largely imported from Germany, Great Britain, and South America, which sources could offer more cheaply than the Dominion. Some shipments of bran from Canada to Denmark have taken place.

DUTY

There are no customs duties on the above-mentioned grain and milled products imported into Denmark.

ECONOMIC CONDITIONS IN THE NETHERLANDS

TRADE COMMISSIONER FREDERICK H. PALMER

Rotterdam, May 28, 1926.—There is a visible improvement in business conditions in the Netherlands to report notwithstanding several factors which might have been expected to exert an adverse influence.

Germany has not yet commenced to buy Dutch agricultural products in normal quantities, and the general strike in England undoubtedly held up a large part of the usual movement of foodstuffs. The continuance of the coal strike is stimulating activity in bunkering in Rotterdam and Ymuiden. British coasting steamers are calling at Rotterdam in large numbers for fuel supplies, while trawlers and fishing craft are based on Ymuiden, Holland's most important fish-receiving port and market.

A bright feature of the present situation is the position of the important shipyards, which are practically in full operation. Seasonal employment and

other recent industrial developments have decreased the numbers of unemployed from 29,900 skilled and 30,000 unskilled at the end of March to 24,800 skilled and 25,000 unskilled on May 8.

Business failures for the first four months reached a total of 1,275, a rather high rate of business mortality, but lower than for the same period of 1925, which stood at 1,432.

The stock market during April continued to be fairly firm, and the slight improvement in the general situation is accurately reflected in the increase in the month-end average quotation of 162 standard stocks from 224.9 on April 1 to 225.3 on May 1. Industrials, sugars, trading companies, and oils were largely responsible for the increase, since the improvement in their position offset declines in rubbers, mines, steamships, and tobaccos. Interest rates remained practically stationary, standard rate being about $4\frac{1}{2}$ per cent.

New securities to the extent of 21.3 millions were placed in the Dutch investment market during April, as compared with 21.8 in March and 18.8 in February. Conversion loans seem to be almost a thing of the past, only 2.5 million being offered. During the first quarter 92.6 millions were converted. Of the new issues during April over 9 million were Government securities, 6.6 million industrial bonds, and 995,000 new industrial shares.

During April the volume of foreign and domestic paper rediscounted at the Netherlands Bank increased slightly and the increase in month-end requirements of cash from 850 to 887.5 millions reflects the improvement in conditions already reported.

The latest statement of the revenues of the country also indicates a stronger position. Revenue of all kinds for the first four months shows an increase from 145.9 million in 1925 to 160.5 million this year. Income and dividend taxes increased during the month of April and the higher tobacco taxes reflected the increase in excise put into effect last year. Import duties increased from 2,824,924 during April, 1925, to 4,827,361, while the decline in statistical dues reflects slightly decreased foreign trade. The budget required 38,183,000 to be collected and 42,221,015 was paid into the Treasury during the month.

FOREIGN TRADE

During the first four months of 1926, 4,473 vessels of 6,820,924 tons entered the New Waterway as compared with 4,155 ships of 6,011,813 tons a year ago.

The Central Bureau of Statistics reports that imports during April, 1926, amounted to 200 million florins as compared with 212 million in March and 194 million in April, 1925. Exports were valued during April, 1926, at 135 million florins as compared with 143 and 144 million in March, 1926, and April, 1925, respectively.

The changes in Holland's trade with Germany as a result of varying conditions in that republic are rather striking. The following table shows imports from and exports to Germany by quarters since January 1, 1925:—

	Imports from Germany Florins	Exports to Germany Florins
1925 1st quarter	150,832,122	108,349,837
1925 2nd quarter	134,825,229	118,590,858
1925 3rd quarter	148,685,435	152,626,198
1925 4th quarter	159,654,933	89,352,101
1926 1st quarter	163,697,439	69,437,446

Although it was to be expected that the new customs tariffs of Germany would make for a decline in the agricultural groups, industrial difficulties also caused declines. The following table of exports brings out these points in an illuminating way:—

	Imports from Germany		Exports to Germany	
	January-March		January-March	
	1925	1926	1925	1926
Animals and animal products	2,405	1,931	48,367	34,883
Vegetable products	5,809	14,996	19,298	13,937
Minerals, metals and manufactures of these products, not included in other groups	55,575	58,579	8,364	4,237
Flour and manufactures of flour	1,336	2,130	6,643	1,443
Chemical products, medicines, paints and dyes . .	6,145	6,398	1,064	599
Oil, rosin, wax, tar and distillation products of tar, manufactures of these products n.o.p. . .	2,061	3,838	8,033	4,678
Wood and manufactures of wood and similar articles; furniture	6,621	5,753	1,033	395
Hides, skins, leather, leather-and shoewares . .	5,473	4,948	4,768	1,210
Yarns, rope and ropework textures and fabrics, clothes and luxury articles	24,653	26,484	2,638	1,746

EMBARGO ON IMPORTATION OF CONTINENTAL MEAT CARCASSES IN GREAT BRITAIN

ACTING TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, June 4, 1926.—The Ministry of Agriculture has just issued an order prohibiting the importation of meat carcasses from the Continent, following the discovery of foot and mouth disease infection in imported fresh pig meat brought to Newcastle, and to a port in Scotland. This in the opinion of traders interviewed should stimulate the demand for Canadian pigs in this district, if supplies can be obtained, and if shipping facilities are available.

This order prohibits the landing in the United Kingdom of the carcasses, or parts of the carcass, of any cattle, sheep, or pigs from any country on the Continent of Europe, other than Ireland, the Channel Islands, or the Isle of Man, the only exceptions being fully cured bacon and ham, lard, or rendered fat, cooked or preserved meats, or meat essences, hides and skins which have been dried, dry salted, or wet salted.

At the moment pork is not in season, and general meat prices are low owing to slackened demand.

As very little Dutch or other fresh-killed Continental pork comes to Liverpool, this market will only be indirectly affected by an eventual shortage. On the other hand, London and Northeast Coast ports have been securing increasing quantities of fresh pork, mutton and lamb from Holland. In addition, small quantities of fresh-killed beef have been coming from Denmark, and also limited shipments of fresh-killed South American beef, slaughtered in Belgium.

If this embargo continues, the Birkenhead market should become a more important outlet for Canadian supplies of pig meat, as London normally draws a considerable proportion of its meat requirements from imports brought to this market. Northeast Coast centres heretofore dependent on the Continent should similarly obtain their supplies from Birkenhead or Manchester.

Experimental shipments of Canadian fat live pigs came to Birkenhead in March and were landed in good condition. According to the importers who handled this consignment, the prices secured were in the neighbourhood of 11½d. per pound dead weight. Further shipments have not been imported up to date of writing, but in the opinion of the dealers interviewed, under the conditions stated Canadian pork should find a more favourable market in this country.

At about the same time as the announcement was made of this embargo, a trial shipment of pig carcasses from South Africa arrived at Liverpool. This shipment consisted mainly of 145-pound carcasses, half singed and half scalded, and all have been sold for bacon curing. The future possibilities of building up this trade, according to the importers handling the shipment, depend on how these carcasses take the salt, after the frost is removed, and this experiment is being watched with interest by the meat trade, in view of these pigs having come from a warm climate. If successful, it is anticipated that South Africa may become a new source of supply for bacon-type pigs.

LIVERPOOL LARD MARKET

ACTING TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, May 31, 1926.—Liverpool is the most important trading centre for imported lard in this country. Figures showing the total importations of refined lard to the United Kingdom and to the port of Liverpool respectively are given for the years 1921, 1922, 1923, and 1924 as follows:—

	1921	1922	1923	1924
	Tons	Tons	Tons	Tons
United Kingdom*	113,796	114,967	121,780	124,450
Liverpool	51,874	48,023	46,460	49,555

Liverpool in addition to being an important distributing centre, also has the distinction of maintaining the only lard future market in this country. The organization of this option market is, in most respects, similar to the methods adopted for selling wheat. The "pit", as it is called, provides of course a means for speculative trading. Besides this feature it plays an important part in the c.i.f. sales of lard, as a considerable proportion of such sales are made in connection with pit operations.

Only recognized brands of lard are tenderable on the pit, and up till last year only American brands were accepted. The reason is that, although Canadian lard has been favourably regarded by certain importers for many years, the quantities coming to this port have been so negligible, and shipments so infrequent, that it has not been possible to secure the necessary general recognition by the trade. Last year, however, steps were successfully taken to establish one well-known Canadian mark on the pit. Unfortunately, owing to subsequent spasmodic shipments it has not been possible to take full advantage of this recognition. Otherwise Canadian lard is regarded in the same class as American, and if offered regularly should find a ready sale. In the opinion of one important dealer, Canadian lard under such conditions should ultimately command a premium over American.

On account of the large-scale production of corn-fed hogs in the United States, it is not surprising to find that country contributing by far the largest proportion of the imports to Great Britain. In addition small shipments of Irish, Dutch, and Danish lard are imported, and at irregular intervals supplies have come from Australia, New Zealand, China, and Brazil.

Besides the import trade in the refined product, a considerable quantity of prime steam lard, which is the raw material for refining, is brought to this country from the United States. This lard when turned out by English manufacturers is sold as "English refined" and usually secures a small premium over the imported article. It is not possible to say what proportion of the business this refined product enjoys, but it has been estimated at around 25 per cent. The domestic manufacture of refined lard from raw material produced in this country is quite limited.

Although the import trade is not generally subject to seasonal fluctuations, there is usually a more active demand during the fall months, particularly when there is an abundant fruit crop.

The usual method of shipping is in 56-pound boxes, containing two 28-pound blocks of lard. Before the war it was customary to ship a proportion of American lard in wooden pails, which then commanded a premium of about 18 cents per cwt. over boxes. At present only a very small proportion is shipped in pails, and the premium has risen to about 75 cents per cwt., due chiefly to the increased cost of freight. A considerable percentage of the lard refined in this country is put up in 28-pound pails or tin buckets.

As mentioned above, American lard is the main factor on this market, and it is in the well-known American brands that the option trading is done. Dutch

* From April 1, 1923, the above statistics covering the United Kingdom include the trade of Great Britain and Northern Ireland. From the same date the direct foreign trade of the Irish Free State has been excluded from this total.

and other imported lards, which are not tenderable on the option pit, play a very small part in this district. Large quantities of American lard are shipped to Liverpool on consignment to branch houses or agents who sell to buyers on spot terms. The representatives here do a considerable trade on a c.i.f. basis with country buyers, and importers who sell for forward delivery on these terms in many cases "hedge" their operations through the option market to protect themselves from price fluctuations.

Practically all lard is sold on brand except in the case of some c.i.f. sales which are made without divulging a specific brand, but under what are called tenderable brands. This means that they are reputed marks and acceptable for tendering through the Liverpool option pit. Some brands of course command higher figures; for example, one well-known American manufacturer sells his product under a certain brand at a premium of from 24 to 30 cents per cwt. over other marks.

Although it is impossible to determine what proportion of the total import trade is carried on through the option market, it is the opinion of dealers interviewed that a large share of the total business is transacted on an ordinary c.i.f. basis, and it is this feature of the trading which is of most interest to Canadian exporters. However, before a new Canadian brand could establish a reputation among buyers, it would be necessary to appoint an agent and ship on consignment. When the brand becomes recognized by the trade, then it should be possible for the agent gradually to place c.i.f. orders with his wholesale buyers.

The present average c.i.f. Liverpool price for American refined lard is around \$19.45 per 112 pounds. This price is practically the same as that ruling in May last year, but around \$4.85 higher than in 1924.

Although a number of Canadian packers have been represented on this market for many years, so little Canadian lard has been offered in comparison with regular American shipments that the buyers are not familiar with our brands. However, the Canadian lard which has come forward has met with a favourable market, and if Canadian packers could secure the necessary raw material and expand production so as to provide for regular shipments to this country, thereby keeping their brands continually before the trade, there should be a good opportunity substantially to increase our lard exports to the United Kingdom.

The movement on the part of the public to ask for Empire products, especially foodstuffs, is definitely increasing and regular supplies of well-known brands of Canadian lard would make it possible for the British housewife to add still another Empire product to her weekly list of grocery purchases.

Any Canadian exporters interested in establishing connections in the Liverpool market are invited to communicate with this office.

CANADIAN CATTLE SHIPMENTS TO LIVERPOOL AND MANCHESTER

ACTING TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, June 4, 1926.—During the month of May, 6,550 store and 735 fat cattle arrived at Birkenhead from Canada.

During the past two weeks there has been a decided slump in the cattle market, and prices have not been remunerative to shippers. Average quotations at the close of May were as follows: native steers, 8½d. to 9d. per pound, sinking the offal; heifers, 9d. to 9½d. per pound; and Western steers, 8½d. to 8¾d. per pound. At time of writing the market is over-supplied with Canadian beasts, but an improvement is looked for in the near future.

Some 1,514 store and 619 fat cattle arrived at Manchester during the past month. All the stores were dealt with for immediate slaughter. Trading at this port generally has been difficult during the period under review. Prices in early May were as high as 60s. per 112 pounds for best cattle, falling later to 55s., and at the close of the month around 50s. per 112 pounds live weight.

INDUSTRIAL CONDITIONS IN THE NORTH OF ENGLAND

ACTING TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, June 3, 1926.—The coal crisis and consequent general strike completely overshadowed all other events during the past month. Although the stoppage caused by the general strike is bound to leave a mark on every branch of trade, it is as yet too early to gauge its full effects. All the industries of this area did not suffer to the same degree. Certain manufacturers well stocked with fuel, and others not directly dependent on coal, managed to maintain restricted production. Others were forced to completely shut down when their employees were called out on strike by the union leaders, and the cancellation of orders was reported from several districts. All industries, however, were seriously affected by the suspension of transportation facilities. When the general strike finished, it was hoped that the settlement of the coal dispute would shortly follow. With the continued coal stoppage, however, conditions have become more acute and the situation in this district at time of writing is that of marked depression, which must continue until some agreement is reached.

Textile Trades.—Taking into consideration its previous depressed state, the cotton trade, on the whole, kept up fairly well through the general strike, and around the middle of May there was a quite active demand from certain overseas markets. Manufacturers were inclined to continue working under difficulties in most cotton centres, and although stoppages were reported, on the whole supplies of coal and yarn were adequate. The Whitsuntide holidays followed the general strike, further curtailing production in this industry. It was reported on June 1 that the average hours per week being worked in the American yarn section were then less than thirty-five, with the result that the Short Time Committee of the Master Spinners' Federation decided to postpone for the present further proposals for restricting output. From figures prepared by the Ministry of Labour showing operatives in this industry wholly unemployed or "temporarily stopped" on account of short-time operations, it is found that unemployment substantially increased during the four weeks prior to the coal stoppage.

The preliminary figures covering the overseas trade of this country for the month of April show a decline of £4,245,000 in the export value of cotton yarn and manufactures exported in comparison with April, 1925.

On the whole, the worsted trade in the Bradford woollen industry came through the general strike with less difficulty than was at one time feared. Apart from the miners' strike and consequent interference with coal supplies, the seasonal trade in this section is finishing, and short time is now inevitable. Wool trade employees were not called out during the general strike, although in one or two mills warehousemen refused to handle raw material brought in by non-union labour. According to the preliminary figures recently issued for April, exports of woollen and worsted goods decreased by £1,106,000 in comparison with April, 1925. The general feeling in Bradford and district is that the recent upheaval has had the effect of stopping the gradual but definite recovery which has been taking place in this industry since last September.

Iron and Steel and Shipbuilding.—On the northeast coast, with the exception of the foundries practically all iron and steel works have been brought to a standstill by the suspension of operations at the collieries. Continental inquiry for pig-iron has ceased and home demand has shrunk to small proportions. As a forcible reminder of the difficulties facing the iron and steel trade, it has just been announced by the directors of the Consett Iron Company of this district that the results for the year ended March 31 last do not warrant the payment of a dividend on either preferred or ordinary shares. This company possesses one of the most up-to-date steel works and rolling mills in the country, but so weak has been the demand for its products that profitable operations have not been

possible owing chiefly, it is claimed, to the competition of low-priced labour in countries with depreciated currencies.

The recent industrial disturbance has had the effect of greatly increasing unemployment at Sheffield. Open-hearth steel smelting stopped almost completely on the first day of the strike, and now more than thirty large furnaces are lying idle until fuel is available. The coal stoppage came at a time when there was a distinct upward trend in several important branches of Sheffield trades.

In the general engineering trades of this area the difficulty of procuring material is having a serious effect on operations, but most departments have been brought back into activity following the stoppage and will remain fairly well engaged if the balance of production in the various sections can be maintained.

Nowhere can the immediate effect of the coal stoppage be observed more vividly than on the Tyne. The industrial importance of this area has been built up on coal, and for over a month this trade has been at a standstill. The ship-repairing industry of this district has also been feeling the effect, since a number of vessels are having repairs done on the Continent where they can secure bunkers.

Reports from Hull state that shipping at the Humber ports has been seriously affected by the coal shortage, many vessels having been compelled to visit Continental ports to replenish bunkers. The oil milling and engineering industries of this district have been able to continue operations.

Rationing of Coal and Power.—The further drastic rationing of coal and power just announced is making itself felt throughout the whole of this territory. Train services are operating on a very much reduced schedule. The tramways and other public services are now also being curtailed in order to save fuel, and industrial and domestic supplies are being further restricted.

EFFECT OF STRIKE ON WEST OF ENGLAND BUTTER AND CHEESE PRICES

TRADE COMMISSIONER DOUGLAS S. COLE

Bristol, May 29, 1926.—Price control by the Board of Trade with the co-operation of the West of England and South Wales Produce Associations worked satisfactorily throughout the general strike. Otherwise wild prices would have been seen.

BUTTER

During the fortnight period immediately following the strike New Zealand supplies sold steadily at 170s. (\$41.36) per cwt. and Australian 166s. (\$40.39) to 168s. (\$40.87). Most operators in Bristol got in as large stocks as possible as they thought the strike would be of some duration. The early strike settlement resulted in slackened demand and prices eased 25 cents to 50 cents per cwt.

A fair quantity of Irish was on offer. New creameries sold at 160s. (\$38.93) f.o.b. Ireland, which approximates to 165s. (\$40.14) delivered Bristol.

The week just passed has shown a fair expansion of business in face of rather low offers from the Continent. New Zealand supplies remain normally at 170s. (\$41.36), but in special instances 25 cents to 50 cents less have been taken for parcels that have been a little while in cold store. Australian Kangaroo is on offer at above price and the quality is said to compare favourably, but ordinary first grade are difficult to move at 166s. (\$40.39).

Irish creameries are becoming more plentiful, and are said to have been offered below 160s. (\$38.93) f.o.b., but generally asking price is 160s. (\$38.93). A few Canadian creameries (early make) are found on the market and offered at 167s. (\$40.63). These are pasteurized.

At present the outlook is for a very steady market. English supplies should be plentiful as pasturage is in magnificent condition throughout the district.

CHEESE

During the strike the trade in Bristol, in conjunction with London and other ports, agreed to stabilize prices to avoid the double possibility of profiteering and of the market being rushed away needlessly. Stocks available were satisfactory at Bristol as soon as volunteer labour was able to handle them, although a slight shortage was reported in South Wales. The Road Transport did excellent work, and traders were able to obtain supplies of New Zealand cheese from London at a fixed figure of 93s. (\$22.62).

Immediately after the strike a reaction set in, and prices advanced to 95s. (\$23.11), which figure was not maintained for more than a day or two, dropping back to 92s. (\$22.38), with supplies very much in excess of the demand.

The new Canadian season is opening up quietly, but the trade fear that American speculators will get into the market and spoil the price for early cheese.

Canadian cables to-day indicate receipts of 20,000 boxes, total shipments 11,000, and country markets cleared at 90s. (\$21.89) to 91s. (\$22.13) per cwt c.i.f. United Kingdom port.

Buyers consider Canadian supplies dear at above prices compared with New Zealand, which are selling at 92s. (\$22.38) landed terms. Buyers are looking for lower prices.

Steamer allocation for New Zealand butter and cheese from May 27 to July 31 are 201,816 boxes of butter and 195,924 crates of cheese. Supplies would therefore appear to be plentiful.

GRAIN TRADE AND GRAIN HANDLING FACILITIES AT BRISTOL CHANNEL PORTS

TRADE COMMISSIONER DOUGLAS S. COLE

II*

Great Western Railway System—South Wales

CARDIFF

This most important harbour of the Great Western Railway system is chiefly renowned for its heavy shipments of Welsh coal to all parts of the world; but it is a great deal more than a coaling port. For instance, grain and flour imports and exports represented no less than 419,459 tons in 1913, and for the year 1924 totalled 430,073 tons.

The extensive flour mills and factories of Messrs. Spillers & Bakers are situated at this port and it is unnecessary to deal with this important firm whose vast interests both in the United Kingdom and Canada are well known to Canadian grain shippers. It may, however, be of interest to know that this firm in addition to their huge grain and milling interests are also manufacturers of biscuits, poultry food, and game foods. They have their own floating and quay elevators, and thus can have grain discharged direct to mills or into storage as they desire.

The Cardiff transit sheds are quite extensive and can accommodate up to 100,000 tons of grain in bulk or in bags at one time. The lay-out is quite excellent as the transit sheds are adjacent to the discharging berths whilst the railway lines parallel the full length of the sheds.

Cardiff Rates.—The tonnage rate on vessels bringing grain or other produce from Canada, the United States and Argentine is 1s. 2½d. (29 cents) per N.R.T.

* The first part of this report was published in our last issue.

In the case of grain from the Black Sea or Mediterranean the rate is 11½d. (22½ cents) per N.R.T. (net register ton). Part cargoes are, however, charged tonnage rate on the actual weight of cargo discharged or loaded where such amount is less than the N.R.T. (subject to a minimum of 25 per cent of the register of the vessel).

The dock rate (wharfage) on wheat, barley, oats, etc., is 1s. ¾d. (25½ cents approx.) per ton. It may be said in reference to the Cardiff docks that the Great Western Railway are fully alive to the fact that it is exceedingly dangerous for their entire prosperity to be dependent on coal shipments, and for this reason are encouraging in every possible manner the greater use of the port as a produce distribution centre, particularly grain, butter, and cheese.

SWANSEA DOCKS

This dock undertaking was acquired from the Swansea Harbour Trust in 1923, and there is a total quayage of over 36,000 feet. The port is principally noted for the export of Welsh anthracite and tinplates, and in this regard has considerable trade with Canada. As regards grain and flour, the imports amount nearly to 100,000 tons per annum.

The grain is handled directly through transit sheds of over 170,000 square feet of floor space. These sheds are being used partially for the distribution of flour and foodstuffs to the extensively populated district of the South Wales coal fields. The important milling firm of Messrs. Weaver & Co. are located here, this firm milling their grain direct as they have their own facilities for discharge.

Swansea Rates.—Tonnage rate similar to Cardiff on vessels from Canada or other foreign ports is 1s. 2½d. (29 cents) per N.R.T. The harbour and dock rate and the wharfage rate is similar to that of Cardiff.

BARRY DOCKS

These docks were primarily constructed for the export of Welsh coal, but also handle a certain quantity of general cargo. During 1924 the total quantity of grain and flour imported was 113,468 tons.

As regards dock equipment, 55 cranes have been installed which can handle easily all general cargo traffic. The grain is brought directly to the transit sheds which occupy 409,729 square feet of floor space and are of course all directly connected with the Great Western Railway system. Two of the transit sheds were constructed during the war as Government grain warehouses, and they since have been taken over by the Great Western Railway. The large flour mills of Messrs. Joseph Rank Limited occupy an important section of the docks. This company have their own grain handling and storage facilities, part of which includes a ship elevator with a capacity of 120 tons per hour for discharging. The mills are known as the "Atlantic Flour Mills", and have a normal capacity of approximately 85 sacks of flour per hour.

All grain and flour rates are similar to those of Cardiff docks.

NEWPORT DOCKS

The annual trade of Newport Docks is in the vicinity of 8,000,000 tons, of which about 1,200,000 tons represent traffic other than coal and coke.

Newport is of lesser importance in so far as the imports of grain and flour are concerned, although the transit shed accommodation is about 230,000 square feet of floor space. The Star Flour Mills are located at Newport.

PORT OF PLYMOUTH

This famous and historic port situated on the southwest coast of England, is chiefly important at the present time owing to the amount of passenger traffic which flows to and from London.

As regards grain and flour close to 130,000 tons were imported and exported in 1924, the transit sheds being quite capable of handling a fair quantity of trade. Several milling and grain firms are located in Plymouth.

RATES

The tonnage rate on vessels from Canada is 1s. $\frac{3}{4}$ d. (25 $\frac{1}{2}$ cents) per N.R.T. The wharfage rate is also 1s. $\frac{3}{4}$ d. (25 $\frac{1}{2}$ cents) per ton whether landed or embarked.

The above port, although not on the Bristol channel, is included as the chief seaport of the southwest part of the coast. It is likewise controlled by the Great Western Railway.

RADIUS OF OPERATION

The ports on the Bristol channel serve a large area for the distribution of inward cargoes and, as will be easily seen from the map of England, a radius of 100 miles embraces the whole of the West of England, South Wales and South Midlands, including Birmingham, with a consuming population of 10,000,000 people.

The weakness of the Bristol Channel ports is their large number. Were it possible to combine them into one large port, such a distributive centre would constitute a real rival to the ports of London, Liverpool and Glasgow.

JAMAICAN MARKET FOR REFRIGERATORS AND KITCHEN CABINETS

TRADE COMMISSIONER P. W. COOK

Jamaica, May 31, 1926.—The average kitchen in Jamaica is small and very simply furnished. Many kitchens take the form of an outhouse connected by a covered passage to a pantry. In most there are to be found few furnishings other than a small wood stove or occasionally an oil stove (for the use of gas is restricted), a deal table, a few shelves for kitchen utensils, a softwood crockery cupboard, and in the pantry or passage a small refrigerator or ice chest. Cooking is usually undertaken by native women quite unaccustomed to refinements in equipment or to labour-saving devices.

Thus the market for refrigerators is limited in general to those of small size, cheap price, and simple operation, but in such qualities trade is brisk. Such marks as "Frost River", "Frigid Zone", "Brantford", "Labrador" and "Hudson" are in common use, the most popular retailing from £4 10s. to £10, an outside price for acceptance being commonly £16. There is of course a distinct preference for all metal-refrigerators.

A few firms have been pushing electrical refrigerators for some years past, but so far little headway has been made. The number of Jamaicans in a position to buy expensive electrical refrigerators is limited and, furthermore, the cost of current (120 volts A.C. 1s. per k.w.h.) is in a measure prohibitive. On the other hand, ice is plentiful and cheap.

The use of a kitchen cabinet is uncommon—chiefly because of expense, but also because the average housekeeper is not familiar with its many advantages. A simply designed kitchen cabinet which would not take up too much space and which could be sold at about £8 to £15, should find acceptance if properly advertised, but £20 may be put as the maximum price which a kitchen cabinet could command. Here, and in the case of refrigerators, protection against wood-boring and household ants is of first importance.

The duties on both refrigerators and kitchen cabinets, whether of wood or of metal, are assessed under Item 35 of the Jamaican Tariff, namely ad valorem 20 per cent general and 15 per cent preferential applicable to Canada.

Kitchen cabinets and refrigerators may be marketed either through a general agent selling on commission or by direct sale to the many importing retailers who control the greater part of the trade. A list of such may be had by application to the Director, Commercial Intelligence Service, Department of Trade and Commerce. In quoting to the trade, prices should be net and based on thirty days' date. It is strongly recommended that Canadian manufacturers introducing new marks should undertake adequate advertising, which can be done in Jamaica at a fraction of the equivalent cost in Canada. Dependent upon prices and quality, immediate and reasonable returns may be expected in respect of small refrigerators. With kitchen cabinets it is a matter of education, and electrical refrigerators are not yet likely to find more than occasional sale.

COMMERCIAL CONDITIONS IN ARGENTINA

D. FORSTER, OFFICE OF THE CANADIAN TRADE COMMISSIONER

[NOTE.—Unless otherwise mentioned, values are given in Canadian currency, the exchange used being: 1 paper peso = 40 cents (Canadian); 1 gold peso = 91 cents.]

Buenos Aires, May 17, 1926.—Exports from Canada to Argentina for the twelve months ending February, 1926, again constituted a record, with a total of \$12,390,657. This is the fifth month in succession that a record figure has been reached. Imports into Canada from Argentina for the same period amounted to \$3,930,200. During the month of February alone exports to Argentina were \$1,105,924, and imports from that country \$186,046.

Exchange.—The value of the Argentine paper peso at the beginning of April was \$0.3984, and it gradually improved until towards the end of the month it reached \$0.4085, but at the time of writing it has declined to \$0.4037. (Par value is \$0.4245 to the Argentine paper peso.)

Crops.—The first official forecast of the production of the 1925-26 maize crop is 7,087,000 tons from an area of 10,613,590 acres, compared with last year's crop of 4,732,235 tons from 9,158,019 acres. If the actual production reaches the estimated figure, it will be the largest maize crop since 1915.

The area sown to potatoes this year is 262,808 acres, a slight decrease compared with last year. The forecast of production is 644,819 tons, but probably 25 per cent of this amount will be too small or too poor in quality for consumption. About 73 per cent of the potato production is in the province of Buenos Aires, 12 per cent in Santa Fé, and 7 per cent in Mendoza.

Customs Receipts.—Customs duties on imports from January 1 to May 8 amounted to \$42,687,961, an increase of 2½ per cent compared with the same period of last year, and export duties were \$1,978,754 as against \$3,645,132, from which it may be assumed that the value of imports is higher and that of exports is lower than during the first four months of 1925.

Exports.—During the past month larger quantities of cereals were exported than during the same month of last year. For the period January 1 to May 13 the quantity of the principal Argentine cereals exported is well ahead of the same period of 1925, although as present prices are on a much lower scale the value of exports is less than last year. The following are the exports for the periods stated:—

	January 1 to May 13	
	1926	1925
	Tons	Tons
Wheat	1,347,526	1,895,366
Maize	935,426	484,502
Linseed	795,695	302,167
Oats	309,375	267,030
Barley	77,631	45,112
Flour	52,579	54,706
	3,518,232	3,048,883

Exports of wheat products are 20,000 tons in advance of the first four months of 1925. Only half the quantity of frozen beef has been exported so far this year compared with the same period of last year (871,857 quarters against 1,713,716), chilled beef exports are 1,678,070 quarters against 1,501,643, and exports of frozen mutton and lamb are 779,288 carcasses compared with 1,478,162. Canned meat exports are 706,413 cases against 888,217. Hide and skin shipments are very much below last year's while tallow is slightly ahead with 64,212 casks (of 160 kilos). Exports of butter are almost the same as for the January-April period of 1925, with 427,042 cases (of 25 kilos); quebracho logs and quebracho extract are each 20,000 tons behind (35,710 tons and 69,582 tons respectively). Cotton exports are only 4,672 bales (of 200 kilos) compared with 6,595 bales, but wool has reached 151,053 bales (of 420 kilos) as against 84,484 bales. The stock of wool on May 15 was 3,017 tons compared with 9,824 tons on the same date of last year.

General.—Liabilities in commercial failures during April were \$4,915,570, which is lower than each of the two previous months but slightly higher than January's total. However, the total of liabilities for the first four months of 1926 is higher than for the same period of any previous year, with the exception of 1914 and 1915.

Railway traffic receipts on the eight British railways in Argentina for the period July 1, 1925, to May 8, 1926, were £772,250 in excess of receipts for the same period of the previous year, despite the fact that the receipts on one railway have declined to the extent of £554,000.

ARGENTINE LAWS REGARDING FOOD PRODUCTS

D. FORSTER, OFFICE OF THE CANADIAN TRADE COMMISSIONER

Buenos Aires, May 12, 1926.—The Argentine law regarding the Packing and Labelling of Food Products, referred to in *Commercial Intelligence Journal* No. 1155 of March 20, was to have come into force on March 30 last, but a decree has just been issued postponing its enforcement until June 24. This additional period has been allowed in order that food products at present in the customs house or already on their way to Argentina which do not strictly comply with these regulations may be cleared, provided they are passed "fit for consumption" by the National Chemical Office.

This law, decreed on January 30, 1925, covers all substances that come into contact with food products, defining what metals, paints, varnishes, rubber, and paper may be used. It also requires that the following information be given in Spanish on each container: exact designation of the product; weight or net volume of the goods expressed in the decimal metric system; exact date of packing (month and year); country of origin; name of manufacturer and name of importer or representative.

A few products are exempted from carrying the date of packing, and various others only require to have stated the year of the crop from which they are derived. An application has recently been made to the Government to cancel the section that requires the date of packing or to extend the list of exceptions. A request has also been made that it should not be necessary to give the name of the manufacturer. The draft of the Merchandise Marks Law No. 11,275, which covers every commodity sold in Argentina, required that all imported goods, besides being marked with the country of origin, should also carry the name of the manufacturer. The latter part was contested in the Senate with the result that it was left out of the law as finally enacted. There are various reasons why it should not be obligatory to give the name of the manufacturer, and the above precedent is being cited in an attempt to amend the Labelling of Food Products Law.

A copy of the Argentine Packing and Labelling of Food Products Law may be obtained upon application to the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa. Since it was printed, however, the following amendment has been made:—

Article 5.—Metal containers for acid food products, or those packed in acidulous liquids, solutions of common salt or brine, must be coated internally with a protecting varnish free from poisonous substances.

Preserves in oil that exceed an acidity of 0.20 grs. per cent, expressed in sulphuric acid, for the purposes of this article shall be considered as acidulous.

For the purposes of the previously mentioned clause aqueous liquid or other methods that exceed 0.10 grs. per cent, expressed in sulphuric acid, shall be considered as acidulous.

Edible oils are not covered by this article.

When coloured papers are used in wrapping food products an intermediate paper must be used to prevent contact of the food with the former.

As the Municipal and National Government regulations regarding the purity of food products are, in some cases, different, a commission has been appointed to study and report on the reforms that are necessary to the existing laws, when it is expected that all requirements will be published in the form of a new law.

PERU AS A MARKET FOR CANADIAN PRODUCTS

TRADE COMMISSIONER E. L. MCCOLL

[Subjoined is the ninth and concluding section of a series of reports on Peru, which has been prepared by Mr. McColl after a recent visit to that country, in which he investigated the openings for Canadian trade. Those on Wheat and Flour and other Foodstuffs were published in Nos. 1160 and 1161; on Tools and Hardware, Machinery, and Vehicles in No. 1163; on Lumber and Paper in No. 1164; on Iron and Steel and Miscellaneous Products, on Peculiarities and Difficulties of the Market, and on Trade of Canada with Peru, in No. 1165; on Agriculture, Mining, and Railways in No. 1067; Currency, Budget, Exchange, and Banking in No. 1166; and that on the Tariff, Documentation, etc., in No. 1162.]

ELECTRIC LIGHT POWER IN PERU

Electric development in Peru cannot be said to be very far advanced, partly owing to the lack of demand on account of the small industrial progress which Peru has made as yet. A few facts covering the power generated in each of the principal cities may be of interest.

Lima.—Electric light power in Lima is controlled by the *Empresas Electricas Aliadas*. This company was formed in the year 1906 to absorb three organizations, the Lima Light and Power Company, the Lima-Callao Freight Railway, and the Lima-Chorrillos Railway. The amalgamated company has an authorized capital equivalent to \$14,500,000, \$10,000,000 having been issued while bonds valued at nearly \$6,000,000 are held in London. Power is obtained from two hydro-electric stations at Chosica and Yanacota, about thirty miles from Lima up the Rimac river, and by electricity generated by petroleum at Santa Rosa and suburb. At Chosica and Yanacota power is generated at 2,300 volts and transmitted to Santa Rosa at 3,500 volts, 3-phase, 60 cycles. Santa Rosa acts as a distributing centre for the supply of electricity to the suburbs and to large factories. The current for electric light is 110 volts.

Mollendo.—The town of Mollendo has an electric plant consisting of two dynamo groups, each of 80 kilowatts. The one is operated by a 75-h.p. crude oil engine and the other by a Siemen-chuckert semi-diesel motor. The current is 110 volts alternating.

Oroya.—The Cerro de Pasco Copper Corporation has a hydro-electric plant in Oroya and another at Pachachaca, which supply the company's mines with electricity which is conveyed over high tension wires of 50,000 volts. There is another plant at the company's smelter.

Trujillo.—Electricity for power and light is supplied by a generating station of 570 h.p. made up of three groups of turbines. The plant is owned by the Comania de Luz Electrica de Trujillo Ltda. The plant, which is hydro-electric, is located at Poroto about 30 miles distant. The voltage is 220, 50-cycle, alternating current.

Piura.—Electricity for power and light is developed by means of petroleum as fuel. The system is 60-cycle, single-phase, 110-volt alternating current.

Cuzco.—The two hydro-electric plants of Cuzco produce about 700 h.p. The current is distributed at 220 volts, 60 cycle, alternating.

A description of the electricity produced in another half dozen towns could be given, but the above examples will be sufficient to show that both from lack of demand as well as lack of waterfalls there is not as yet any considerable quantity of electrical power developed in Peru.

AN AMERICAN ENTERPRISE IN PERU

The work in Peru of an important New York construction company which is building water and sewerage systems, roads, government buildings, and engaged in many other enterprises, is an example of the confidence which United States firms have in this southern republic and one of the many ways and means by which North American investments are piling up in South America. The Peruvian Government has framed an extensive plan for the installation of modern municipal water supply and drainage in over thirty of the republic's towns and cities. The period of time for the completion of the scheme is spread over a number of years and involves the ultimate expenditure of about \$50,000,000, of which some \$15,000,000 has already been laid out on improvements in Lima and its environs. After Lima the first cities to benefit or which are already benefiting are Mollendo, Arequipa, Cuzco, Huancayo, Huanuco, Ilo, Iquitos, Puno and Ica. An American construction company, as mentioned above, has been entrusted with a large part of this immense undertaking. The new water and sewerage system in Lima is being extended to such suburbs as Miraflores Barranco and Chorrillos.

During the last four years some 70 miles of first-class concrete and asphalt road have been put down in and around Lima. The pavement of all the main thoroughfares has been changed during this short interval from rough, dirty, and neglected cobblestone to the best class of road that good material and modern engineering skill can provide. Fine motor highways link Lima with its suburbs and with the port of Callao. Although other cities are not carrying out such an extensive programme of road building as Lima, yet they are each doing something according to the extent of their individual resources. Almost all of these improvements are being carried out by this North American construction company which, on account of the good quality of work which it turns out, is receiving contracts which keep it continuously operating at capacity.

Among other Government contracts is one granted to the company in October, 1925, for the conversion of the Royal Castle of Philip of Spain, which has been used by the Customs authorities, into a national monument, at a cost of \$200,000. The Department of Public Works occupies the finest and most modern of the Peruvian Government buildings and covers an area of 2,700 square metres. No time- or labour-saving detail has been overlooked by the American construction company in this new reinforced concrete building which has been designed in the Neo-classic style, the decorations being in cedar and bronze. The total cost of the building amounted to \$400,000. The port of Callao, the main port of Peru, is fast becoming unable adequately to handle the continually increasing shipping. If the Government decides to build a new port, it is more than probable that the American construction company would receive not only the contract for building new port works but also for its management. Contracts have been given by the Government to the same company for the construction of several schools.

This American construction company has undertaken several enterprises which have no connection with the Government. A Peruvian cement manufacturing company which, for want of capital, had difficulty in keeping its head above water was taken over and in a short time became a prosperous concern. The Frigorifico National S.A. Ltd. (The National Cold Storage Company, Limited) was organized in November by the members of the American construction company. The authorized capital is Lp 400,000 (\$1,600,000). Capital was subscribed three times over, the construction company itself taking Lp 83,000. "Frigorifico" will manufacture and deal largely in prepared meat products.

The construction company has promoted the Peruvian and Foreign Investments and Trust Company, which obtained its charter in November, 1925, with an authorized initial capital of Lp. 40,000 (\$160,000). The purpose of the company is to buy and sell real estate and company bonds and shares in Peru and elsewhere. One of its first operations was to buy a controlling interest in the Bolivian Cement Company. This move has an exception in the fact that the American construction company has sent a well-known British engineer to Bolivia to commence operations there on behalf of the company.

The Banco Industrial del Peru S.A. Ltd., was incorporated by charter dated December 26, 1925. It has an authorized capital of Lp. 360,000 (\$1,240,000). The function of this bank, which has been promoted by the American construction company, is to finance industries in Peru.

Another important undertaking of this American company has been the purchase of a large section of land in the best suburb of Lima where it has organized a country club as an attraction for the élite of the capital. The land has been laid out in building lots to be sold under restricted conditions. Water, drainage and asphalt pavements have been put down. It is expected that the land, of which there is 700,000 square metres for sale, would bring an average price of Lp. 1 (\$4) per metre.

THE CITY OF LIMA

Lima, the capital of Peru, situated on the river Rimack, eight miles from the sea, was founded by the Spanish conqueror of the Incas, Francisco Pizarro, in 1545. Before the days of the Republic it was for a long time the capital of Spanish South America and known as the "City of the Kings". Its storied past as a centre of wealth, culture and influence, is a cherished heritage of the Peruvians of to-day. The Pacific coast, which now includes Chile, Bolivia, Peru and Ecuador, was ruled from Lima which was the city of the Spanish viceroys, and it was also the headquarters of the Roman Catholic church in South America. The cathedral, located in the Plaza de Armas, was built by Pizarro and was destroyed by an earthquake in 1746. The present cathedral, which is of severe yet imposing Spanish design, occupies almost a city block.

Beautiful boulevards connect two residential suburbs, Miraflores and Magdalena, with Lima. The road to Miraflores, which is about ten miles distant, passes through open country. Almost all the land adjoining the boulevard has been blocked off into building lots under restricted building conditions, where a fair number of detached houses, largely of English and American designs, have already been built.

The city, which has a population of 225,000, is the centre of the country's industry and commerce, education, art and music. Its clean, well-paved streets are only excelled in attractiveness by the many beautiful parks or plazas full of palms and other tropical trees and plants. Lima possesses many fine buildings, the quality, design and architectural beauty of which are not excelled anywhere. Intermingling with this modern ferro-concrete construction are churches, convents and missions, and old Spanish houses of colonial times. The heavy carved doors and pillars and overhanging balconies maintain in this city, "the fairest gem on the shores of the Pacific", an atmosphere of eighteenth-century Spain.

DOUGLAS FIR MARKET IN CHINA

TRADE COMMISSIONER L. M. COSGRAVE

Shanghai, May 8, 1926.—During the last half of 1925 imports of Douglas fir from Canada and the United States totalled nearly 60,000,000 feet out of a gross import of this class of timber for the year of some 84,000,000 superficial feet. The off-take during the last few months of the year showed a big improvement, and prices rose from September onward until Douglas fir was in the neighbourhood of 48 taels (approximately \$35.52 C.C.) per 1,000.

At the beginning of this year stocks in Shanghai were estimated to be in the neighbourhood of 20,000,000 feet, and indications from the larger buyers are to the effect that Shanghai's requirements during 1926 will be in the neighbourhood of 150,000,000 feet.

Due to low stocks and continuance of good demand, steady buying has been in order and large arrivals are expected during the first half of this year. Owing to the fact that building operations continue on a large scale, sales should be good throughout the whole of 1926.

VENEZUELAN SHIPPING FORMALITIES

TRADE COMMISSIONER J. CORMACK

Port of Spain, May 25, 1926.—Shippers of merchandise from Canada which is destined for Venezuela should well in advance of shipment deliver to the nearest Consul of Venezuela or his substitute an invoice made out in triplicate. The invoice must be written in the Spanish language, signed by the shipper, and in which he states under oath the verity of the following statements. The name of the shipper, that of the consignee, that of the place of shipment, the Venezuelan port of destination, and the class, nationality and name of the vessel carrying the goods.

Invoice Details.—The mark and numbering of each package, its class, contents, gross weight in kilogrammes written in letters and figures, and its value in gold in the port of shipment stated in dollars, are all required. The number of packages, their weights and values, shall be totalled at the foot of the respective columns

Contents.—The contents of the package shall be declared designating each item of merchandise in the same terms as specified in the Tariff Law of Import Duties (which is on file in the Department of Trade and Commerce at Ottawa), or with the tariff classification corresponding to the merchandise in said law, when the merchandise may not be expressly specified. The use of ditto marks, of idem, or of abbreviations of whatsoever class, will not be accepted in the text of the invoice. Words, ciphers or marks erased or corrected, interlined or amended should be noted at the foot of the writing before the signature of the person presenting the same. Lines may not be left in blank in the text of the invoice.

When merchandise may be shipped which is not included in any of the items of the tariff law of import duties, the shippers shall state this clearly in the invoice, and shall describe the merchandise as clearly as possible, indicating the material or materials of which it is composed and the use and application of the merchandise.

Marking of Packages.—Packages of the same class, size, shape, weight and contents may be indicated by the same mark and one single number and be included in a single item. With the exception of this case, two or more packages with the same marks and numbers may not be included in the same invoice. There may also be included in a single item with different numbers

various packages with the same contents, although of different weights and shapes, specifying in the text of the same declaration the weight of each package and in the corresponding column the total weight of the lot.

When the same package contains merchandise of various tariff classes the net weight of the merchandise of each class shall be declared and the total weight of the tare. In case of omission of this requirement, the package shall be considered, for the purposes of appraisement, as consisting entirely of merchandise of the highest tariff class which the package contains.

Consuls' Duties.—Venezuelan consular officers in Canada are required to explain without charge to all persons who apply to them the Customs laws of Venezuela, and whatever data may be requested concerning fiscal legislation; and to show them the necessary forms for preparing shipping documents and to afford them the necessary explanations to enable them to make said documents in proper form. This duty does not relieve shippers from the responsibility which they incur for violation of the laws.

If, by reason of ignorance of Spanish, invoice be presented in another language, Consul shall make a translation and copy of the document, charging the legal fee therefor. In ports where there is no Venezuelan Consul, invoice may be certified by the Consul of a friendly nation, or, failing such, by two merchants, whose signatures shall be authenticated by a public official.

Samples.—Ordinary merchandise samples, imported in small pieces or such as manifestly cannot be offered for sale, enter duty free. When samples consist of articles of commercial value, intended to be re-exported, importer must furnish to the Custom House with his manifest a statement in triplicate specifying the commercial name and price of sale of each article, the material of which it is made, its dimensions and any other distinctive details to identify it. After examination and appraisal of samples of value, they will be delivered to the importer upon a bond to cover the duties, interest for the delay and the charges on the cases. Dutiable samples may be re-exported within one year from the date of examination, upon presentation to the Customs of a due manifest and the bond given for the duties; this will be cancelled if the samples are re-exported in entirety. Merchandise samples may be imported under consular invoice or in passenger's baggage.

MODIFICATION OF CORN BORER QUARANTINES AFFECTING MOVEMENT OF CERTAIN CUT FLOWERS AND VEGETABLES BETWEEN CANADA AND THE UNITED STATES

By W. N. KEENAN, DIVISION OF FOREIGN PESTS SUPPRESSION, DEPARTMENT
OF AGRICULTURE

In carrying on control activities in connection with the European corn borer, which was first discovered on this continent in the Boston district in 1917, every precaution has been taken to prevent unnecessary spread through the movement of products liable to carry the pest. Early investigations showed that this insect attacked not only corn and related plants, but also many miscellaneous crops including flowers, vegetables, weeds, etc. Consequently, quarantine regulations enacted by Canada and the United States required the inspection and certification of all such material from the infested areas.

With the discovery of the pest later, in the various States bordering Lake Erie, and the Province of Ontario, the regulations affecting the movement of these products between the two countries from the areas concerned were not changed; but as a result of investigations carried on it has been determined that the frequent infestation in the various flowers, vegetables and straw in the New England outbreak is due to the fact that the insect has two generations there annually, whereas only one generation occurs in the Lake Erie infested territory.

It has therefore been decided that no appreciable danger is involved through the movement of such products from this area, and as a result Regulation No. 10 Foreign, Destructive Insect and Pest Act, Dominion Department of Agriculture and Quarantine No. 41 of the United States Department of Agriculture were revised effective from April 24 and June 1, respectively, whereby these miscellaneous products may be moved between the two countries without inspection or certification, except as applying to the infested area in the New England States. The effect of the revised regulations is as follows:—

- (1) Cut flowers of chrysanthemum, aster, cosmos, zinnia, hollyhock, gladiolus and dahlia, oat and rye straw, celery, green beans in the pod, beets with tops, and rhubarb may now be moved between the two countries without inspection (except as applying to the infested area in the New England states).
- (2) The quarantines in both countries remain unchanged *in so far as the movement of corn and related plants are concerned* and the movement of such material from the quarantined area in Ontario to any point outside that area, or from the province of Ontario to any point in the United States, is *prohibited*.

TRADE COMMISSIONER E. L. McCOLL'S ITINERARY IN CANADA

Mr. E. L. McColl, Canadian Trade Commissioner to the Argentine Republic, has recently returned to Canada after an absence of five years in South America, and is now visiting the manufacturing centres of the Dominion for the purpose of investigating business conditions and opportunities as far as these affect the market for Canadian products in South American countries. Canadian manufacturers and exporters who desire to be brought in touch with Mr. McColl, or to interview him, are requested to communicate with the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa.

The following is the first part of his itinerary:—

St. John	June 19 to June 21	Three Rivers	June 28
Charlottetown	June 23	Montreal	June 29 to July 8
Quebec	June 25 to June 26		

The second part of Mr. McColl's itinerary will be announced later.

AGRICULTURAL IMPLEMENTS AND MACHINERY IN DEMAND IN ENGLAND

A Manchester friend who has large interests in the agricultural implement business has told me his experiences at the Bath and West Show last week, writes the London correspondent of the *Manchester Guardian Commercial*. They are worth passing on. He said that, in marked contrast to tradition, farmers are quite enthusiastic about the use of machinery, which they no longer refer to as "new-fangled."

"There was a positive hunger," my informant added, "for information about agricultural machinery, and some of the farmers were quite ready to scrap old plant in favour of new, subject always to a demonstration that the new will do its job better and more cheaply than the old. Machines for clean milk production and the artificial drying of crops were a source of much interest, and my turnover was beyond expectation."

Scarcity of land labour has had a good deal to do with this change of attitude, but the immediate point of importance is that firms engaged in the production of agricultural implements should endeavour, in the show season which is just opening, to display their goods as prominently as possible.

BRITISH GUIANA'S FORESTS

Although the Forestry Department of British Guiana is a very recent creation, the conservator has already issued his first report, writes a correspondent of the *London Times Trade Supplement*. The mora forests, it is stated, are of great interest, and possibly of considerable importance. This wood is rated A1 at Lloyds—a distinction awarded to only eight of the world's timbers—and under proper preparation and treatment appears to be excellent for railway sleepers. Mora has also attracted a certain amount of interest as a wood for cheap furniture.

The greenheart industry is regarded as most important. Its value is very high, and the number of trees per acre larger than with most tropical woods of a similar nature. If the outturn can be increased to some extent per unit of area, modern methods (states the conservator) will probably pay well. At present they do not give a large return. It is urged that the daily output of greenheart from the area worked should be largely increased, and an attempt made to get some of the other trees growing with it into the market.

GUATEMALA'S PURCHASING POWER

In discussing the purchasing power of the community in Guatemala, the Acting British Consul-General remarks that the effective stabilization of exchange at the rate of 60 pesos to the United States dollar has created a readjustment of salaries and wages earned and should cause an improvement in the demand for imported commodities.

Although at present the Guatemalan market is relatively unimportant, he considers that prospects for development are not altogether unfavourable. Of the total population, amounting to 2,004,900 inhabitants according to the census of 1921, approximately two-thirds are Indians. The purchasing power of the Indian is extremely low, and there is little hope of creating a large demand for imports until the earning capacity is raised and a desire to acquire a few luxuries developed. During the past few years indications in this direction have not been lacking. The rest of the inhabitants may be divided into two categories—the better-class agricultural labourer and artisans, and the educated professional or land-owning classes. In these categories the purchasing power is steadily improving, and there is a distinct tendency (at least as far as dress is concerned) to purchase a better quality of goods.

CATALOGUES FOR TRADE COMMISSIONERS' OFFICES

Canadian manufacturers and exporters are strongly urged to furnish the Trade Commissioners in the territories in which they are interested, or are likely to be interested, with a full range of their catalogues, price lists, discount sheets and (where possible) samples, together with c.i.f. quotations, or at least quotations Atlantic and Pacific ports. They should also place the Trade Commissioners on their permanent mailing lists to receive new copies of their catalogues as they appear. At least four copies of the catalogues and price lists should be forwarded. The Trade Commissioners in their correspondence frequently mention the great assistance it is to them in their work to have up-to-date catalogues on file in their offices, as these are frequently loaned to exporters. Up-to-date catalogues and price lists form a valuable aid to the Trade Commissioners in their efforts for the extension of Canadian export trade.

COMPILATION OF LIST OF TRANSLATORS

The Department of Trade and Commerce is desirous of compiling an authentic list of business houses and individuals in the Dominion who can undertake translation from English into the languages of foreign countries, or *vice versa*, and whose services might be made available to Canadian exporters for occasional work of this character. References as to capabilities, terms and languages known should in each case be sent to the Director, Commercial Intelligence Service, Ottawa, and the list, when complete, will be kept on file at the Department of Trade and Commerce, Ottawa, for the information of Canadian firms interested.

BRITISH TRADE COMMISSIONERS IN CANADA

Canadian importers and others desirous of obtaining information regarding the export trade of the United Kingdom and British manufacturers desirous of representation in Canada, are invited to communicate with the under-mentioned:—

The Senior British Trade Commissioner in Canada and Newfoundland, 285 Beaver Hall Hill, Montreal, Que. Telegraphic address: "Britcom."

The British Trade Commissioner (for Ontario), 901-902 Bank of Hamilton Bldg., Toronto, Ont. Telegraphic address: "Toroncom."

The British Trade Commissioner (for Western Canada), 18 Commerce Bldg., Vancouver. Telegraphic address: "Vancom."

The Officer-in-Charge (for Manitoba and Saskatchewan), British Trade Commissioner's Office, 703 Union Bank Bldg., Winnipeg. Telegraphic address: "Winncom."

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

610. Peruvian manufacturers' agent is willing to receive quotations on food products.

611. Peruvian importer is willing to receive quotations on food products, including condensed milk or milk powder, tinned rolled oats, and canned fish.

612. FISH.—Peruvian importer is willing to receive quotations on fish.

613. FISH.—A firm of brokers at Havana, Cuba, are desirous of representing Canadian exporters of dried codfish in cases and dried haddock and hake in 128-pound drums.

614. POWDERED MILK.—A Bristol broker desires quotations in 5-ton lots for powdered milk (spray process), both skim and full cream. Quotations to be c.i.f. Avonmouth and Cardiff in sterling.

615. OATS; FLOUR; ETC.—A firm of importers at Bridgetown, Barbados, are desirous of representing Canadian exporters of oats, flour, corn meal, pollard, oilmeal, cheese, and pickled beef and pork products.

616. WHEAT; FLOUR; OATS; BALED HAY; WHEAT BRAN; ONIONS; POTATOES; SMOKED BLOATERS; CANNED SARDINES.—A firm of brokers at Havana, Cuba, are desirous of representing Canadian exporters of above commodities on a commission basis.

617. FLOUR.—A commission agent who has been established in Salonica, Greece, for many years is desirous of representing, upon a commission basis, a first-class firm of Canadian flour millers.

619. FLOUR.—A Bristol firm of flour importers desire to hear from Canadian mills for both hard, winter and blended flour; brands either mill or private.

620. MALT.—Peruvian importer is willing to receive quotations on malt.

621. BREWERY SUPPLIES; MALT.—A manufacturers' representative in Mexico City, dealing especially in supplies for the brewery trade, desires to receive quotations for Canadian malt.

Miscellaneous

622. LADIES' SILK HOSE.—A London manufacturers' agent reports a good opening for ladies' silk hose, both mock-seam, mock-fashioned and full-fashioned, in the lower qualities and upon 260-needle machines. Inquirer would welcome applications from Canadian manufacturers able to export regularly and requiring representation in London.

623. DRAPERY GOODS.—A firm in Cork, Irish Free State, desire to receive quotations for drapery goods of all kinds.

624. NEWSPRINT.—Peruvian importer is willing to receive samples and quotations on newsprint.

625. PRINTING PAPER.—Peruvian importer is willing to receive samples and quotations on flat printing paper.

626. BOTTLE WRAPPERS.—A manufacturers' representative in Mexico City who is in close touch with all breweries in Mexico desires to receive quotations for paper bottle wrappers, in lots of one million. Quotations to be c.i.f. Veracruz, Tampico, or Laredo. Samples of product may be seen on application to Department, quoting T.E. No. 626.

627. PAPIER MACHÉ BUCKETS.—A large firm of importers at Melbourne, Australia, are desirous of corresponding with Canadian firms in a position to ship these articles. The buckets must be able to withstand the action of simple acids such as tartaric and citric, and should be of strong construction.

628. WOOD WOOL (EXCELSIOR).—A Liverpool importer is interested in getting in touch with Canadian manufacturers. Samples and c.i.f. Liverpool prices are requested.

629. LEATHER.—A firm of Japanese importers at Kobe are desirous of negotiating with Canadian exporters of leathers suitable for use in the manufacture of pocket books, purses, bags, ladies' handbags, etc., as well as all kinds of fancy leathers.

630. MAPLE, BIRCH, ETC., FOR COUNTER VENEER.—An important French concern would like to receive quotations from Canadian exporters.

631. BOX SHOOKS.—Peruvian importer is willing to receive specifications and quotations on box shocks.

632. BOX SHOOKS.—A large company at Batavia, Java, require monthly 6,000 cases (Sitka spruce preferred) made up as follows: two tops and bottoms, 64 cm. by 118 cm.; two sides, 43 cm. by 118 cm.; two ends, 61 cm. by 43 cm.; four short battens, 43 cm. by 6 cm.; four long battens, 48 cm. by 6 cm.; all wood to be $\frac{3}{4}$ -inch thick. Early quotations c.i.f. Java ports or f.o.b. Canadian seaboard are invited.

633. EMPTY CASKS.—A Dutch chemical exporter desires to purchase about a thousand empty casks per month, to contain about 200 litres each.

634. AGRICULTURAL IMPLEMENTS.—Peruvian importer is willing to receive catalogues and quotations from Canadian manufacturers of agricultural tools and implements.

635. HARDWARE.—Peruvian importer is willing to receive catalogues and quotations on hardware.

636. HARDWARE, IRON MONGERY.—A firm in Cork, Irish Free State, desire to receive quotations.

637. GENERAL HARDWARE.—Peruvian importer is willing to receive catalogues and quotations on general hardware, including builders' hardware, hand tools, small hand and large power saws, etc.

638. LAUNCHES.—Peruvian importer is willing to receive catalogues and quotations on sea-going launches.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING JUNE 14, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending June 14, 1926. Those for the week ending June 7, 1926, are also given for the sake of comparison.

	Parity	Week Ending June 7, 1926	Week Ending June 14, 1926
Britain	1.00	\$4.86	\$4.8550
Belgium	1.	.193	.0309
Czecho-Slovakia	1.	.203	.0296
Finland	1.	.193	.0252
France	1.	.193	.0305
Holland	1.	.402	.4018
Italy	1.	.193	.0375
Spain	1.	.193	.1515
Portugal	1.	1.08	.0520
Switzerland	1.	.193	.1936
Germany	1.	.238	.2379
Greece	1.	.193	.0125
Norway	1.	.268	.2215
Sweden	1.	.268	.2676
Denmark	1.	.268	.2644
Austria	1.	.14125	.1412
Japan	1.	.498	.4712
Siam	1.	.3709	.4550
India	1.	2s.	.3665
United States	1.	\$1.00	.9998
Mexico	1.	.498	.4895
Argentina	1.	.424	.4033
Brazil	1.	.324	.1541
Roumania	1.	.198	.....
Jamaica	1.	4.86½	4.8425
British Guiana	1.	1.	4.8450
Barbados	1.	1.	
Trinidad	1.	1.	
Dominica	1.	1.	
St. Kitts	1.	1.	
Grenada	1.	1.	
St. Vincent	1.	1.	
Tobago	1.	1.	
Shanghai, China	1.	.708	.7562
Batavia, Java	1.	.4020	.4012
Peru	1.	4.86½	3.67
Singapore, Straits Settlements . .	1.	.567	.5725

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To LONDON, PLYMOUTH AND CHERBOURG.—Ascania, June 26; Ausonia, July 3; Alaunia, July 10; Antonia, July 23—all Cunard Line.

To LONDON.—Brandon, June 26; Bosworth, July 3; Bolingbroke, July 10; Brecon, July 17—all Canadian Pacific; Canadian Hunter, June 26; Canadian Trapper, July 7; Canadian Raider, July 17—all C.G.M.M.

To LIVERPOOL.—Gracia, June 24; Aurania, July 2; Moveria, July 8—all Cunard Line; Doric, June 26; Canada, July 3; Regina, July 7; Megantic, July 17—all White Star-Dominion; Montrose, June 25; Montcalm, July 2; Montclare, July 9—all Canadian Pacific.

To AVONMOUTH.—Welshman, June 26; Huronian, July 10; Colonial, July 17—all White Star-Dominion; Concordia, June 26; Kastalia, July 3—both Anchor-Donaldson Line.

To NEWCASTLE AND LEITH.—Cairntorr, June 25; Cairnross, July 2; Cairndhu, July 9—all Thomson Line.

To GLASGOW.—Letitia, June 25; Salacia, July 2; Athenia, July 9—all Anchor-Donaldson; Metagama, Canadian Pacific, July 15.

To SOUTHAMPTON.—Minnedosa, June 30; Melita, July 14—both Canadian Pacific.

To MANCHESTER.—Manchester Regiment, June 24; Manchester Hero, July 1; Manchester Importer, July 8; Manchester Division, July 15—all Manchester Liners.

To CARDIFF AND SWANSEA.—Canadian Commander, July 2; Canadian Mariner, July 16—both C.G.M.M.

To DUBLIN AND BELFAST.—Carrigan Head, Head Line, June 30.

To ANTWERP.—Minnedosa, June 30; Melita, July 14—both Canadian Pacific; Canadian Hunter, June 26; Canadian Trapper, July 7; Canadian Raider, July 17—all C.G.M.M.

To HAVRE.—Laval County, Intercontinental Transports Ltd., July 13.

To ROTTERDAM.—Porsanger, June 30; Birk, July 10—both Intercontinental Transports Ltd.

To HAMBURG.—Hastings County, June 26; Grey County, July 10—both Intercontinental Transports Ltd.; Seatwell, June 23; Cairngowan, July 7—both Thomson Line.

To ITALIAN PORTS.—Valcerusa, Lloyd Mediterraneo Italian Service, June 23.

To COPENHAGEN AND BALTIC PORTS.—Arkansas, Scandinavian-American Line, July 4.

To AUSTRALIAN PORTS.—Canadian Miller, C.G.M.M., July 10; Hinnoy, New Zealand SS., June 21.

To NEW ZEALAND PORTS.—Canadian Cruiser, C.G.M.M., June 25; Baron Kelvin, New Zealand SS., June 21.

To SOUTH AMERICAN PORTS.—Augvald, Houston Line, July 4.

To WEST AND SOUTH AFRICAN PORTS.—Cariboo, Elder Dempster Line, July 15.

To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Otter, June 23; Canadian Runner, July 3 (calls at Guadeloupe); Canadian Squatter, July 13—all C.G.M.M.

To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Fisher, June 30; Canadian Forester, July 21—both C.G.M.M.

To ST. JOHN'S, NFLD.—Canadian Sapper, C.G.M.M., June 30 (calls at Charlottetown); Hitherwood, Intercontinental Transports Ltd., June 30.

From Quebec

To GLASGOW.—Montclair, Canadian Pacific, July 1.

To SOUTHAMPTON.—Empress of Scotland, June 23; Empress of France, July 7—both Canadian Pacific.

To HAMBURG.—Empress of Scotland, June 23; Empress of France, July 7—both Canadian Pacific.

From Halifax

To LIVERPOOL.—Newfoundland, June 30; Nova Scotia, July 17—both Furness, Withy.

To ST. JOHN'S, NFLD.—Newfoundland, June 30; Nova Scotia, July 17—both Furness, Withy; Farnorth, Farquhar SS., June 26, July 7.

To NEWFOUNDLAND SOUTH COAST OUTPORTS AND ST. PIERRE-MIQUELON.—Skipper, Farquhar SS., June 22, July 6.

To NEWFOUNDLAND WEST COAST OUTPORTS.—A steamer, Farquhar SS., June 29, July 13.

To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, July 14.

From Vancouver

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Russia, June 24; Empress of Asia, July 22—both Canadian Pacific.

To YOKOHAMA, KOBE, SHANGHAI AND HONG KONG.—Empress of Australia, Canadian Pacific, July 8.

To YOKOHAMA, KOBE, MIKE AND HONG KONG.—Protesilaus, Blue Funnel, July 15.

To YOKOHAMA, KOBE AND HONG KONG.—Tyndareus, Blue Funnel, June 24.

To YOKOHAMA, KOBE, DAIREN, TAKU AND SHANGHAI.—London Maru, Osaka Shosen Kaisha, July 2.

To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Africa Maru, Osaka Shosen Kaisha, July 7.

To YOKOHAMA, KOBE, DAIREN AND TAKU.—Alabama Maru, Osaka Shosen Kaisha, July 17.

To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Aorangi, June 30; Wairuna, July 18 (calls at Melbourne and Wellington)—both Canadian-Australasian Line.

To WEST COAST UNITED KINGDOM PORTS.—Canadian Skirmisher, C.G.M.M., July 17.

To LIVERPOOL.—Grootendyk, late June; Drechtdyk, early July—both North Pacific Coast Line.

To MANCHESTER.—Pacific Trader, July 1; London Importer, July 16—both Furness Pacific Line.

To LONDON AND ANTWERP.—Grootendyk, late June; Drechtdyk, early July—both North Pacific Coast Line; Canadian Pioneer, C.G.M.M., July 10.

To ROTTERDAM.—Grootendyk, late June; Drechtdyk, early July—both North Pacific Coast Line.

To HAMBURG, ANTWERP AND BREMEN.—Osiris, United American Lines, July 3.

To BORDEAUX, HAVRE AND ANTWERP.—Montana, Cie. Gle. Transatlantique (French Line), June 25.

To BARCELONA, MARSEILLES, GENOA, NAPLES, LEGHORN AND TRIESTE.—Cellina, Navigazione Libera Triestina, July 25.

To AUSTRALIAN AND NEW ZEALAND PORTS.—Montague, Pacific-Australia Line, July 15.

To PUERTO-COLOMBIA, CURACAO AND TAMPICO.—Point Reyes, Pacific Caribbean Gulf Line, June 22.

LISTS OF ACTS ADMINISTERED AND PUBLICATIONS ISSUED BY THE DEPARTMENT OF TRADE AND COMMERCE

Applications for these Acts of Parliament and other publications in this list, together with remittances for the same, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution".

Copper Bars and Rods Bounty Act. Copyright Act.
Electricity and Fluid Exportation Act. Electricity Inspection Act.
Electric Units Act. Gas Inspection Act. Gold and Silver Marking Act.
Grain Act. Hemp Bounty Act. Inland Water Freight Rates Act.
Patent Act. Statistics Act. Trade Mark and Design Act.
Timber Marking Act. Inspection of Water Meters Act.
Weights and Measures Inspection Act.

MISCELLANEOUS

Annual Report of the Department of Trade and Commerce. (Price 10 cents.)
Annual Report of the Board of Grain Commissioners for Canada. (Price 25 cents.)
Annual Report of Weights and Measures, Electricity and Gas. (Price 10 cents.)
Canada-British West Indies-Bermuda-British Guiana-British Honduras Trade Agreement (1925). (Price 10 cents.)
Canada-West Indies Conference (1920). (Price 25 cents.)
Canada-West Indies Conference Report, (1925). (Price \$1.)
Dominion Grain Research Laboratory (1920). (Price 10 cents.)
Electrical Standards and their application to Trade and Commerce.
Final Report of the Fuel Controller (1920).
Grain Inspection in Canada (1914). (Price 25 cents.)
List of Licensed Elevators, etc. (Price 50 cents.)
Motion Pictures, Catalogue of. (Price 10 cents.)
Pan-Pacific Commercial Conference (1923). (Price 25 cents.)

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Census of Prairie Provinces (1916).
Miscellaneous Statistics respecting the following: Criminal; Education; Finance (Provincial and Municipal); Transportation, including railways and tramways, express, telegraphs, telephones water, etc.; Production, including agriculture, furs, fisheries, forestry, mining and manufactures: Vital (annual and monthly).
Monthly Bulletin of Agricultural Statistics
Year Book of Canada.
Report of the Dominion Statistician, Annual.
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CANADIAN TRADE COMMISSIONERS

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E. L. McColl, Reconquista No. 46, Buenos Aires.
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D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

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China

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B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

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Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

Commercial Intelligence Journal

Issued Every Saturday by the Department of Trade and Commerce

Acting Minister: Hon. J. A. Robb, M.P.

Deputy Minister: F. C. T. O'Hara

Published in English and French. Subscription Price for either edition: \$1 per annum in Canada (single copies 5 cents each); \$3.50 outside the Dominion (single copies 10 cents each). Remittances, which may be made by Post Office or Express Orders, or Drafts, or Cheques, payable at par in Ottawa, should be addressed to the King's Printer, Government Printing Bureau, Ottawa.

Vol. XXXIV

Ottawa, June 26, 1926

No. 1169

TABLE OF CONTENTS

	Page		Page
Mr. J. Forsyth Smith's Itinerary in Canada	801	General Invoice Requirements of Great Britain	817
Exports from Canada to the United States of Principal Commodities produced on Canadian Farms, or Manufactured directly from such Farm Products, during the Month and Eight Months ended May 1921, 1922, 1925 and 1926; with United States Tariff Rates in force	802	Economic Conditions in South Africa	820
Hong Kong the Distributing Centre for South China	804	Transmission of Letters and Parcels to Canadian Trade Commissioners	820
Wheat Crop Prospects in China	807	Market for Codfish in Brazil	821
Danish Market for Canadian Products—IV: Provisions	807	Commercial and Financial Conditions in Brazil	824
West of England Trade Review	812	Packing and Labelling of Canned Salmon for Argentina	825
British Industries Fair (Birmingham), 1927	813	Commercial Conditions in Mexico	826
North of England Commodity Markets	813	United States Requires Marking on Imported Brick	827
Liverpool Imports of Canadian Foodstuffs	816	Reductions in Letter Postage	828
		Trade Inquiries for Canadian Products	829
		Foreign Exchange Quotations for Week ending June 21, 1926	830
		Proposed Sailings from Canadian Ports	830
		Commercial Intelligence Service	832

MR. J. FORSYTH SMITH'S ITINERARY IN CANADA

Mr. J. Forsyth Smith, Canadian Trade Commissioner, Liverpool, is visiting Canada with the special object of acquainting fruit exporters with the prospects for marketing their fruit in England and on the Continent. As the representative of Canada on the Imperial Economic Committee he will also be able to furnish interesting information as to the recommendations of that committee as to the development of the markets for British-grown fruits.

The following is his itinerary:—

June 28	Vancouver	July 7 and 8	Vancouver
June 29 and 30	Victoria		

Meetings of fruit growers and apple exporters in British Columbia will be addressed as follows:—

July 19	Salmon Arm	July 24	Keremeos
July 20	Vernon	July 26	Grand Forks
July 21	Kelowna	July 28	Willow Point
July 22	Summerland	July 29	Creston
July 23	Penticton		

Meetings in Ontario will be addressed as follows:—

August 9-12	Toronto	August 18	London
August 13	Thornbury	August 19	Forest
August 14	Burlington	August 20	Newcastle
August 16	Grimsby	August 21	Brighton
August 17	Simcoe		

Meetings of fruit growers and apple exporters in Quebec and in the Maritime Provinces will be addressed as follows:—

August 26 and 27	Montreal	September 10	Kentville
August 30	St. John, N.B.	September 13	Kingston
September 1, 2 and 3	Halifax, N.S.	September 14	Berwick
September 7	Windsor	September 15	Middleton
September 8	Hantsport	September 16	Bridgetown
September 9	Wolfville		

EXPORTS FROM CANADA TO THE UNITED STATES OF PRINCIPAL COMMODITIES SUCH AS ARE PRODUCED ON CANADIAN FARMS, OR MANUFACTURED DIRECTLY FROM SUCH FARM PRODUCTS, DURING THE MONTH AND EIGHT MONTHS ENDED MAY, 1921, 1922, 1925 AND 1926; WITH UNITED STATES TARIFF RATES IN FORCE

(COMPILED BY THE EXTERNAL TRADE BRANCH, DOMINION BUREAU OF STATISTICS, AND THE FOREIGN TARIFFS DIVISION)

Commodities	Month of May				Eight Months ended May			United States Tariff Rates in force		
	1921	1922	1925	1926	1921	1922	1925	Prior to May 27, 1921	From May 27, 1921 to Sept. 21, 1922	Subsequent to Sept. 21, 1922
Animals (except for improvement of Stock)										
Cattle.....	14,692	3,438	9,642	12,035	212,058	113,730	88,276	118,142		
Horses.....	457,713	57,290	251,842	240,240	14,561,036	2,100,619	1,832,686	3,610,202	Free	30 p.c. (a)
Poultry.....	21,143	15,497	6,205	15,770	348,775	319,881	73,504	86,681	10 p.c.	(b)
Sheep.....	16,072	7,703	14,285	15,400	580,514	572,799	625,354	713,289	1c. per lb.	3c. per lb.
Fruits—	16,757	7,026	11,839	11,192	654,687	568,458	515,549	640,535	1c. per lb.	
Apples, green or ripe.....	133	2	1	1	121,646	58,203	24,716	27,938	Free	(c)
Apples, dried.....	1,275	2,401	10	10	1,096,747	327,503	219,324	219,714		\$2 per head
Berries, fresh.....	139	1	1	1	383,309	32,357	25,435	25,435	10c. bu. 50 lb.	30c. bu.
Grains—	686	6	10	635	2,000,710	179,855	125,982	125,982	1c. per lb.	2c. per lb.
Barley.....	105	4	32	110	16,629	9,672	5,276	5,276	1c. per qt.	14c. per lb.
Beans.....	163	5	29	98	420	12,172	8,333	8,333	15c. bu. 48 lb.	20c. bu. 48 lb.
Buckwheat.....	845	4	2,884	7,018	3,568	4,147	17,596	46,894	2c. lb.	14c. lb.
Oats.....	3,634	18	37,621	1,250	14,690	13,104	57,738	135,292	Free	10c. per 100 lb.
Peas, whole.....	8,422	2,529	31,973	1,125	226,994	98,230	502,656	50,967	6c. bu. 32 lb.	15c. bu. 32 lb.
Peas, split.....	732,126	147,099	16,324	3,317	2,224,516	1,778,698	298,347	423,234	10c. bu. 60 lb.	1c. lb.
Rye.....	301,780	66,104	8,798	2,220	1,105,375	846,452	173,368	183,765	20c. bu. 48 lb.	14c. lb.
Wheat.....	4,294	1,800	8,141	15,003	59,537	34,553	521,862	396,200	Free	35c. per bush.
Meats—	1,175	4,059	15,559	600	278,727	14,455	3,600	783	Free	20 p.c.
Bacon, hams, shoulders and sides.....	1,168	457	11,377	1,350	11,370	54,180	8,874	1,671	Free	2c. per lb.
Beef, fresh, chilled or frozen.....	5,809	484	17,065	966,635	302,481	83,481	15,161	6,428	Free	2c. per lb.
Butter.....	8,502	2,393,007	511,860	96,999	46,178,494	11,668,477	2,386,653	7,546,053	Free	1c. per lb.
Wheat Flour.....	4,603,438	3,191,049	768,949	1,390,072	96,992,962	13,582,936	3,546,975	10,259,42	Free	42c. bu. 60 lb.
Grain Products—	183,360	5,023	197,334	27,499	947,313	274,599	2,174,477	1,057,569	Free	1c. per lb.
Bran, shorts and middlings.....	24,072	9,143	247,277	38,353	1,475,578	279,672	7,074	2,081,208	Free	2c. per lb.
Wheat Flour.....	13,328	67,226	10	1,801	1,234,623	643,724	7,074	98,334	Free	1c. per lb.
Meats—	302,203	450,465	105	13,815	12,058,339	3,369,241	46,740	98,334	Free	2c. per lb.
Bacon, hams, shoulders and sides.....	286	402	1,038	949	2,598	975	9,341	8,116	Free	2c. per lb.
Beef, fresh, chilled or frozen.....	9,327	7,490	33,423	40,409	93,712	34,156	228,211	301,029	Free	2c. per lb.
Butter.....	25,707	29,380	12,369	15,161	186,368	140,472	39,261	92,738	Free	2c. per lb.
Wheat Flour.....	339,461	242,097	159,166	235,353	2,740,621	1,549,343	444,683	1,165,905	Free	2c. per lb.

HONG KONG THE DISTRIBUTING CENTRE FOR SOUTH CHINA

TRADE COMMISSIONER L. M. COSGRAVE

[Subjoined is the first of a series of reports by Mr. Cosgrave on trading opportunities for Canadian goods in Hong Kong and South China, based on a recent business tour of this territory. Further reports will appear in subsequent issues.]

Shanghai, May 15, 1926.—The colony of Hong Kong consists of the island of that name near the mouth of the Canton river on a tract of the mainland of Kwantung province, South China, and a number of neighbouring islands, the whole colony having an area of approximately 300 square miles. It is distant about 40 miles from Macao, a Portuguese possession, and 90 miles from Canton, the principal city of South China, which contains a population of between two and three million. Hong Kong may fairly be described as the commercial gateway of South China, an area inhabited by over 80,000,000 persons, who in the main furnish to the whole of China its most capable traders, and who occupy its most productive portion.

The following notes regarding the colony are adapted from the admirable digest published in the Hong Kong section of the *Directory and Chronicle of the Far East*:—

The harbour of Hong Kong is one of the finest and most beautiful in the world, having an area of seventeen square miles, and with its diversified scenery and varied shipping it presents an animated and imposing spectacle. The harbour consists of the sheet of water between the island and the mainland, and is enclosed on all sides by lofty hills, formerly destitute of foliage but now covered, especially on the island, with young forests, the result of the afforestation scheme of the Government. The city of Victoria is magnificently situated; the houses, many of them large and handsome, rising, tier upon tier, from the water's edge to a height of over five hundred feet on the face of the Peak, while many buildings are visible on the very summit of the hills. . . . The city is fairly well built, the roads and streets are for the most part admirably made and kept, and many of the thoroughfares heavily shaded with well-grown trees. The European business quarter occupies the middle of the city, at the sea level, but with the exception of this limited area almost all the lower levels, especially the western district, are covered by a dense mass of Chinese shops and tenements. On the mainland new industrial and residential areas are rapidly springing up.

Even to-day, after nine months of serious curtailment of trade, the confidence of not only the Hong Kong merchant, but also all responsible Chinese of South China, is shown in the fact that new office buildings, godowns, docks, and coastwise ships continue to be built and land values to maintain their high level.

POPULATION

The census of 1921 gives the population of the colony as approximately 650,000, divided between the island of Hong Kong, Kowloon Peninsula, and the new territories of the foreign population, consisting almost entirely of merchants trading with South China. The British number 7,800; the Portuguese, 2,000; Japanese, 1,500; Americans, 500; French, 200; and Dutch and other nationalities, 150. On account of the influx of well-to-do Chinese from the interior seeking security for their families and property under the British flag, it is believed that the total population is now well over a million.

ANNUAL TURNOVER

As the great distributing market of the world's trade to and from South China, Indo-China, Siam and the Philippines, with direct shipping connections with Canada, the United States, Japan, Europe, South America, and Australia, with thoroughly up-to-date wharves, warehouses, docks and shipbuilding yards, and with the headquarters of the principal foreign banks and business houses who operate throughout China, Hong Kong's annual turnover in trade aggregates close to 750,000,000 gold dollars per annum.

SHIPBUILDING

In shipbuilding, the Hong Kong dockyards have a world-wide reputation, and give employment to over 30,000 workmen. In 1921 the yards launched a greater number of vessels than the rest of the British Empire outside of the United Kingdom put together. The requirements in this industry of such imported products as timber, structural steel, machine tools, and building materials of all kinds are very large.

HONG KONG A NON-PRODUCER

Hong Kong itself produces very little. Practically all its requirements, both of foodstuffs and manufactured goods, are imported. It is a great clearing house for one of the most important areas of Eastern Asia and the converging point for distribution of the merchandise from the densely populated territory of South China. The products of the provinces find their way to the outside world through the long-established business firms of the British colony.

CUSTOMS DUTIES

Hong Kong is in the broad sense a free port; but a tax has recently been levied on alcohol, tobacco, and opium. No official records of exports and imports are compiled. Certain commodities will, however, be dealt with on figures supplied from responsible sources which will give the Canadian exporter an idea as to the volume of trade in this important centre. Hong Kong holds for the ports of South China the place that is held for North China and the Yangtze basin by Shanghai. One-fourth of the total imports and one-third of the total exports of China are financed and distributed through Hong Kong, the balance being handled by Shanghai and Tientsin, though the subsidiary ports are taking an increasingly important part in direct trade.

EFFECT OF ANTI-BRITISH BOYCOTT

Conditions in 1925 were without precedent in the history of the colony. An anti-British boycott in June of that year, which extended through the coast ports of South China and to Canton, led to an interruption of commercial intercourse, and a difficult situation fraught with grave consequences developed, and at time of writing still persists.

Owing to the suspension of the statistical branch of the Hong Kong Government, the effect of the anti-British boycott upon the colony's trade and that of foreign shippers can only be vaguely estimated. During 1925 the export trade was chiefly affected, whereas the effect upon the import trade is only beginning to be felt, but that it has resulted in a definite curtailment of trade in all commodities, British or otherwise, due to the dislocation of transportation and the difficulties placed in the way by the setting up of separate customs authorities by the "Strike Committee", is evident to all observers.

REACTION OF CHINA TO FOREIGN CONTACT

In recent times "Young China", as represented chiefly by students in the Treaty Ports, many of them partially educated in foreign institutions, has been reacting to the ever-increasing contact with foreign ideas and methods, and with energies bent on somewhat precipitate changes in the government and administration of a slow-moving and intensely conservative people. This new movement, though it has received much attention because it has centred in the Treaty Ports, has left almost untouched by its influence the millions of peasantry in the interior, and what is of still more importance, the great merchant class which, despite the almost hopeless chaos of government, somehow manages to keep trade

moving to such purpose that the trade returns of the country have steadily increased. With peace and good government, China's consumption of foreign goods, which at present amounts to a very small sum per capita, would soon show a great expansion.

THE IMPOTENCE OF GOVERNMENTS

The Central Government at Peking, though recognized by the Powers, is impotent to enforce its own orders; and the "nationalist" government, which has established itself in the south with headquarters in Canton, exercises no authority outside of Kwangtung and Kwangsi provinces. In addition to this, there is a confused struggle for power by the various small military leaders, whose troops, when not fighting, are a direct burden and charge upon the local countryside.

WEAKENING OF THE BOYCOTT

At the time of writing, though the boycott is still officially in effect, there is no doubt that the Chinese merchant and trader, whose losses have been equally as heavy as the foreign importers, have recommenced business in many lines whether of British or other origin. The writer found, when visiting Canton and Chinese territory within the prescribed area, that no personal feeling appears to exist against the foreigner by the merchants and by the responsible labour element, and that there seemed to be a sincere desire to resume normal conditions at the earliest possible time. It is anticipated that normal relations will be resumed before the summer is over.

PRESENT STATUS OF CANADIAN TRADE IN HONG KONG

The gross value of direct foreign imports into South China averages \$200,000,000 per annum. Commodities which Canada has so far supplied to this area have been confined to wheat, flour, fish, apples, bacon, hams, live stock, and timber. Many of the large importers appear to be unaware of Canada's world-wide distribution of numerous manufactured products which are in demand in South China, and a number of firms have stated they would be prepared to change to Canadian products provided price and quality were competitive.

IMPORTANCE OF PERSONAL CONTACT

Nowhere is the value of personal contact with the manufacturer of greater importance than in China, and particularly in South China. The Cantonese have been the traders of Asia for generations, and have become accustomed to dealing in a direct way with responsible representatives of manufacturing firms in Great Britain.

It is not unusual for a comparatively small firm in England, selling perhaps one line of manufactured products, to send their representative yearly to China for the purpose of visiting perhaps only five or six distributors, and the moral as well as the financial results obtained from this personal contact is greater than any form of advertising in securing and holding business in the East. The infrequency of such visits by Canadian manufacturers was commented upon by many of the large importers in South China. It is extremely difficult to conclude and to maintain uninterruptedly sound trading arrangements without a technical or responsible member of an exporting firm visiting China periodically.

The Department of Trade and Commerce has on file a list of responsible importers and firms in Hong Kong and Canton of various commodities. Though the immediate requirements of South China will be indicated in the Trade Inquiries section of the *Commercial Intelligence Journal*, data regarding new lines and commodities manufactured in Canada which have not previously entered the South China market may be obtained.

WHEAT CROP PROSPECTS IN CENTRAL AND NORTH CHINA

TRADE COMMISSIONER L. M. COSGRAVE

Shanghai, May 27, 1926.—Reports from the wheat areas of Central and North China, chiefly through large Chinese flour mills in these great consuming sections of the country who are vitally interested in the success or failure of the Chinese crop, point to a satisfactory wheat crop south of the Yellow river, viz: in the provinces of Shensi, Hanon, Anhwei, and Hupeh. On the other hand, crops north of the Yellow river—viz: Shansi, Shantung, and Southern Manchuria—are reported to be a failure.

The military situation in the north, which at the present time is extremely uncertain, has seriously dislocated the flour-milling industry in the wheat areas of Honan and Shansi, and unless the situation improves rapidly there will likely be a strong demand in the Tientsin area for wheat from the Shanghai market, which is supplied almost solely from the wheat area south of the Yellow river. Shanghai will probably be able to supply this demand for three to four months, after which time dependence will require to be placed on imports of foreign wheat. As a result of the conditions here described the larger importers and dealers are now paying close attention to wheat price fluctuations, particularly from Canada.

THE DANISH MARKET FOR CANADIAN PRODUCTS

TRADE COMMISSIONER L. D. WILGRESS

[Subjoined is the fourth of a series of reports by Mr. Wilgress, founded on a recent visit to Denmark in the interests of Canadian trade. The first two, introductory to the series, were published in Nos. 1166 and 1167; and the third, on Grain and Milled Products, appeared last week.]

Provisions

Hamburg, May 15, 1926.—In addition to grain and milled products and fresh apples, which have been dealt with in previous reports, Denmark provides openings for the sale of other Canadian food products such as canned fish, honey, dried apples, cheese, and certain packing-house products. The trade possibilities in most of these lines are limited by the smallness of the market and the fact that Denmark itself is a large producer of food products.

TRADE IN CANNED LOBSTERS

After grain and flour, canned lobsters are the chief food product at present exported from Canada to Denmark. The Dominion is the principal source of supply for Danish requirements of this commodity and the leading Canadian brands are very well introduced.

The Danish statistics show an import in 1924 of 234,740 pounds of canned lobsters of a total value of 653,000 kroner, of which 88,440 pounds of a value of 264,000 kroner came from Canada, 82,940 pounds from the United States, and 60,280 pounds from Great Britain. The Canadian returns show an export to Denmark in 1924 of 1,454 cwt. valued at \$103,954. In 1925 the export of Canadian lobsters to Denmark amounted to 1,423 cwt. of a value of \$114,525, so that the trade is a very steady one.

The principal Canadian exporters have their agents in Copenhagen, and the bulk of the Canadian lobsters would appear to be supplied by a few shippers whose brands are well known. Canned lobsters are also shipped unlabelled to importers, who affix their own labels, mostly so designed as to closely resemble the best-known brands. The largest amount of business would appear to be

done in $\frac{1}{2}$ - and $\frac{1}{4}$ -pound flat tins—6 ounces and 3 ounces—packed ninety-six to a case, but 1-pound tins packed forty-eight to a case are also imported. Terms are usually sight draft with documents, and quotations c.i.f. Copenhagen are in all cases preferred.

The duty on canned lobsters imported into Denmark is 1 krone a kilogramme or 12 cents a pound, having been increased at the beginning of 1924 from 40 öre per kilogramme. This increased duty has not served to restrict to any great extent the trade in Canadian lobsters, although imports are not as large as before the war.

CANNED CRABS

The sale of canned crabs in Denmark is reported to be increasing although the duty, which is the same as that for lobsters, is a restrictive factor. Japanese crabs have been introduced and are finding favour. In 1924 total imports of canned crabs were 13,640 pounds of a value of 22,000 kroner, the bulk of which came from Norway and Great Britain.

CANNED SALMON

There would be a better market in Denmark for Canadian canned salmon if the duty had not been increased from 40 öre to 1 krone per kilogramme in accordance with the policy of the Government to restrict the importation of "luxuries". In this connection canned salmon is prejudiced by being classed along with other canned fish as an article of luxury. The present duty is equivalent to 12 cents a pound, which makes the article too dear for general consumption. The ship provisioning trade takes a fair quantity of canned salmon.

The Danish statistics show an import in 1924 of 166,320 pounds of a total value of 128,000 kroner, of which 68,200 pounds were re-exported to Sweden, Germany, and Great Britain. The bulk of the above quantity was given as being supplied from Great Britain and the United States. The Canadian returns show an export to Denmark in 1924 of 216 cwt. valued at \$2,315 and in 1925 of 215 cwt. valued at \$2,309.

Little interest was expressed in Canadian canned salmon by the Copenhagen firms interviewed. The requirement of a credit with order was said to hamper British Columbia exporters in doing a larger trade. One United States firm was said to enjoy the largest share of the business by their readiness to grant facilities to their agents in the way of consignments. Some Canadian salmon is reshipped to Denmark from the United Kingdom.

The terms chiefly desired are sight draft against documents with quotations c.i.f. Copenhagen. The greatest sale is for 1-pound tall pinks, with tall reds also in demand.

OTHER CANNED FISH

No interest was shown in the possibilities of importing other canned fish from Canada such as herrings, pilchards, etc., as the duty is too high. In view of the proximity of Norway no openings exist for the sale of Canadian sardines. The import of sardines in 1924 amounted to 1,799,160 pounds, of which slightly over half came from Norway and the remainder from France, Portugal, and Spain.

MILD-CURED SALMON

The trade with Denmark in mild-cured salmon presents possibilities for Canadian exporters, as the Scandinavian countries are large consumers of smoked fish and mild-cured salmon is imported for the use of the smokers in Denmark and neighbouring countries. In 1924 the total importation of salted salmon into Denmark amounted to 735,240 pounds of a total value of 1,348,000 kroner, but of which 385,440 pounds were re-exported, chiefly to Sweden and Germany.

The United States was the chief source of supply with 619,520 pounds. The bulk of the trade would appear to be in the hands of United States firms, who buy up supplies both in British Columbia and the Pacific States and ship to Danish importers with whom they have close connections and to whom they send consignments. The Danish importers are usually prepared to make advances against consignments. Mild-cured salmon is shipped to Denmark in tierces containing 825 pounds net.

FROZEN FISH

Denmark has plentiful supplies of fresh fish, and the only opening for the sale of Canadian frozen fish to this market would appear to be in frozen salmon, of which some shipments are reported to have been made by United States firms. Considerable quantities of frozen mackerel and other fish are exported from Denmark to Germany and other countries and the concerns doing this business would be prepared to handle consignments of frozen salmon.

CANNED FRUITS

The consumption of canned fruits in Denmark is not very large and is chiefly confined to California fruits and pineapples. The agents of a leading United States shipper are reported to sell about 10,000 cases a year of canned fruits and to enjoy the largest share of the trade.

The Danish statistics show an import in 1924 of 1,173,040 pounds of canned fruits of a total value of 760,000 kroner. The United States supplied 754,820 pounds and the Straits Settlements 167,420 pounds.

The Danish duty on canned fruits in syrup is 40 öre per kilogramme or roughly 5 cents a pound, which is sufficiently high to limit the possibilities of selling most Canadian canned fruits to this market.

DRIED FRUITS

There is an excellent opening for increasing the export of Canadian evaporated apple rings to Denmark. The consumption amounts to about 30,000 cases a season. The duty is only 4 öre per kilogramme. Imports in 1924 amounted to 1,702,580 pounds valued at 1,103,000 kroner, of which 1,636,360 pounds were received from the United States.

Several inquiries were received for Canadian evaporated apples, as they were recognized to be of good quality and cheaper than New York State apples. Canadian Government standard grade, packed in 50-pound boxes, are chiefly required. The market for fancy grade is largely confined to one New York State brand, while there is considered to be not sufficient difference between choice and standard grades to warrant buyers paying an extra price for the former. Evaporated apples in 25-pound boxes are not liked, while small packages are quite unsaleable.

Exporters of evaporated apple rings should have agents in Copenhagen, who will canvass orders from the importers for a commission of 2½ per cent. Shipment takes place from September to May, but the bulk of the orders are placed in August and September.

HONEY

Canadian honey is being introduced into the Danish market, but the sale is still small. There are only a few firms importing honey and most of these have connections with producers in Cuba, California, France, and New Zealand, but as Canadian honey becomes better known the demand should increase. Total imports of honey into Denmark in 1924 amounted to 522,500 pounds of a total value of 355,000 kroner. Germany, the United States, Great Britain, Holland, Chile, and France were the chief sources of supply. The Canadian returns show an export to Denmark in that year of 24,428 pounds of honey valued at \$2,671.

The duty on honey imported into Denmark is 10 öre per kilogramme. The chief demand is for light amber honey in 25-kg. tins, packed two tins to a case, but honey is also imported in 10-pound tins and smaller packages. Danish honey is retailed in tins of 3 pounds (metric), 6 pounds (metric), and 9 pounds (metric), and the retail prices of best Danish honey last February were: 3 pounds, 4 kr.; 6 pounds, 7.50 kr.; 9 pounds, 11 kr.

CHEESE

Denmark is itself a large producer and exporter of cheese, but certain kinds of cheese are also imported. A fair quantity of Canadian bulk cheddar was imported three years ago, while lately Canadian compressed cheese has found a limited market in Denmark.

In 1924 there were exported from Denmark 19,439,640 pounds of cheese, while the imports amounted to 784,080 pounds of a value of 1,083,000 kroner, of which 112,420 pounds were re-exported, chiefly to Sweden. In 1925 total imports of cheese were 851,400 pounds. The following table gives the sources of supply for the cheese imported into Denmark in 1924:—

	Quantity Lbs.	Value 1,000 Kroner
Finland	334,400	434
France	159,060	258
Canada	96,800	103
Switzerland	82,500	130
Germany	30,800	46
Holland	22,220	27
Other countries	58,300	85

The Canadian returns show an export of cheese to Denmark in 1924 of 2,034 cwt. valued at \$41,067, while in 1925 only 262 cwt. valued at \$5,501 were exported to this market.

From the above table it is evident that Denmark only imports small quantities of special French, Swiss, and Dutch makes of cheese as well as ordinary cheese from Finland and Canada, when the price is cheap and the market is not overstocked with Danish cheese. The Copenhagen firms interviewed were sceptical as to the possibility of developing a market for Canadian compressed cheese. Some quantities have been sold, but the demand is very limited and the price factor is said to be against the sale of this kind of cheese in a market so plentifully supplied with local cheese as is the case in Denmark.

The bulk of the Canadian cheese sold to Denmark has been exported by Canadian packing houses who have shipped consignments to their Copenhagen agents. If Canadian cheese could be shipped in smaller sizes a larger sale might be developed in Denmark, but the chief factor determining the trade possibilities is price. The duty on cheese imported into Denmark is 20 öre per kilogramme.

PACKING-HOUSE PRODUCTS

The market for packing-house products in Denmark is very limited as the industry is so highly developed in this country. The largest import of foreign packing-house products is in oleo oil and stearine for the use of the Danish margarine factories. Hides are also imported for the leather industry, but the requirements are not very large. Very little tallow or other industrial fats are imported as domestic supplies largely suffice for the needs of Danish industries. Wide beef casings and narrow hog casings are imported, but the other casings, which are mostly available for export from Canada, are plentiful in Denmark.

Regarding edible hog products, a certain amount of pure lard is imported into Denmark from the United States, chiefly for the use of bakers and confec-

tioners. There is also a small quantity of fat backs and cheap kinds of bacon imported from the United States, as these are more to the Danish taste than the domestic bacon produced for the British market. Of all other hog products home supplies suffice.

There are annually around four million hogs slaughtered in Denmark, chiefly for making export bacon. The veterinary regulations are very strict and do not permit the export of any products made from diseased hogs. Usually about 5 per cent of the slaughterings are condemned, but the neck and affected glands are cut off and the hog products are disposed of on the home market, which is in this way fully supplied.

There is also a plentiful supply of domestic beef, except for the products mentioned above.

Pickled tongues are another edible packing-house product imported into Denmark from North America.

It is therefore seen that the openings for the sale of Canadian packing-house products to Denmark are very limited. Nevertheless it is worth while for Canadian packing houses to have agents in Copenhagen for the sale of the few products which can be exported to this market, such as oleo oil, pure lard, cheese, bacon, and pickled tongues. Most of the leading Canadian packing houses have already agents in Copenhagen, but the amount of business done would appear to be small. The Canadian returns for 1925 only show among packing-house products an export to Denmark of 2,000 pounds of "other meats" valued at \$395.

According to the Danish trade statistics, the imports of bacon in 1924 amounted to 78,320 pounds of a value of 53,000 kroner, practically all of which came from the United States. In the same year 2,612,720 pounds of pure lard valued at 2,056,000 kroner were also imported, chiefly from the United States, while 19,092,260 pounds of lard were exported from Denmark, mostly to Germany. Imports of animal fats for the Danish margarine industry in 1924 included 4,429,260 pounds of oleo stock (premier jus), 2,907,300 pounds of oleo margarine, 1,004,300 pounds of oleo stearine, and 1,335,840 pounds of neutral lard.

All of the above-mentioned animal products are imported into Denmark free of duty.

OTHER FOOD PRODUCTS

It is doubtful if Canadian exporters can do business with Denmark in any other food products not already mentioned in this report. As pointed out above, the Danes are not large consumers of canned goods, and the same applies to other preserved provisions. What trade exists is largely confined to well-established brands, and it is very difficult to introduce a new brand to the market. For this reason the Copenhagen firms interviewed were sceptical as to the possibility of developing trade with Canada in such lines as tomato catsup, jams, biscuits, etc.

Chocolates are manufactured in Denmark and home supplies are supplemented by imports of cheap chocolates from Germany, Holland, and Switzerland, against which it was considered Canadian exporters would have difficulty in competing. Imports in 1924 were 1,543,300 pounds of a value of 2,358,000 kroner. The duty on plain chocolates imported into Denmark is 24 öre per kilogramme, but chocolates with fruit or nuts pay a duty of 1 krone per kilogramme.

Macaroni is imported into Denmark almost entirely from France and Italy, and it would not appear as if Canadian exporters could compete. Imports in 1924 were 648,120 pounds of a value of 248,000 kroner, and there is no duty.

MIDLANDS AND WEST OF ENGLAND TRADE REVIEW

TRADE COMMISSIONER DOUGLAS S. COLE

Bristol, June 7, 1926.—May has been a disastrous month for the all-important iron and steel trade. Only in exceptional cases are blast furnaces being operated and of the 147 furnaces in commission on April 30, the majority are damped down and a considerable number extinguished. This is the fifth week of coal rationing, and the supplies available for Birmingham are officially reported to be running low. Restrictions are being tightened and the household allowance of 1 cwt. per week is being cut down.

Fortunately the coal strike has been threatening England for so long that the majority of large industrial concerns have laid in large stocks. In the structural engineering yards, tube mills and several other industries, the conditions brought about by the strike were anticipated and provision made for them.

Possibly the worst feature for the Midlands is the interference with export trade. In the hardware trade the blow to exports has been crippling, particularly at a time when prospects were beginning to brighten in a market already too competitive.

One serious effect which the strike will have on the coal trade itself is the increased use of oil fuel for industrial purposes. Railway companies, manufacturers, and brewers are all said to be seriously considering the adaption to the use of oil of their boiler plants. The same consideration arose in 1921, but in this crisis action has been taken and orders already placed in numerous instances.

The results of the general strike on an industrial city and district are forcibly illustrated by the present position in Coventry. According to the *Birmingham Post*, there were only 908 persons unemployed in the motor city two months ago; to-day the number on the register is 4,332, of whom 3,466 are men. Important factories which had made all arrangements for a large increase in output are compelled to stand men off and go on short time. In one instance a well-known works is still closed down and others are doing very little business.

SOUTH WALES TRADE AT A STANDSTILL

Owing to the strike, large coal orders have gone to Germany and the United States, and it is understood that Cardiff boats are being chartered to ship American supplies to this country. Efforts are also being made to bring supplies from the Maritime Provinces of Canada. The most serious aspect of the suspension of mining in South Wales is the opportunity which it affords to competitors to secure or to extend their foothold in the consuming countries normally held by South Wales supplies. During the strike in 1921, 1,489,000 tons of United States coal were imported into the United Kingdom, the bulk of which was consumed by railway companies and gas works. Even after the settlement of that strike, which continued for three months, American stocks which had been accumulated by such concerns reacted unfavourably upon the demand for British coal. At the present time German and American exporters are endeavouring to secure period contracts by offering extended credits. In some instances prompt shipments can only be secured by signing period contracts for a long term.

It is understood that American locomotive coal is being offered on British coal markets at about \$4.40 per ton f.o.b., which with freight at \$2.75 and charges of about 25 cents gives a c.i.f. price of approximately \$7.40. Fixtures are effected on the Welsh coal charter, and rate of delivery of 700 tons per day is asked. A special clause is added that the steamer's time counts from arrival, and importers are covenanted to discharge even if transport workers refuse to handle the cargo.

BRITISH INDUSTRIES FAIR (BIRMINGHAM), 1927

TRADE COMMISSIONER DOUGLAS S. COLE

Bristol, June 7, 1926.—The Eighth British Industries Fair (Birmingham) will take place from February 21 to March 4, 1927, and will be again housed in the enlarged Exhibition Buildings at Castle Bromwich. These buildings have a floor area of 200,000 square feet and judging by the 1926 record next year's fair should prove of greater success than ever.

The Government have agreed to spend an amount up to \$125,000 for publicity both at home and abroad, and the additional fact that 50,000 potential buyers visited the fair in 1926 should prove an inducement to Canadian manufacturers who wish to develop their United Kingdom trade, particularly in manufactured goods, to exhibit.

As in 1926, the charge for space will be 3s., or 72 cents, per square foot.

The Bristol office has forwarded to Ottawa copies of the schedule of exhibits which will be shown in 1927 in addition to application forms and general information. These may be obtained by writing to the Department, quoting file No. 27416.

The general schedule of exhibits is as follows:—

Group 1.—Brassfoundry, Hardware and Ironmongery.

" 2.—Metals.

" 3.—Construction, Building and Decoration.

" 4.—Power, Lighting, Heating, Cooking and Ventilating.

" 5.—Engineering.

" 6.—Agriculture.

" 7.—Mining.

" 8.—Motors, Motor Cycles and Cycles, Cycle Accessories and Perambulators.

" 9.—Guns, Saddlery and Harness.

" 10.—Brewing, Distilling and Catering.

" 11.—Service.

Additional information can be obtained on application to Mr. C. Stanley, General Manager, British Industries Fair, Chamber of Commerce Building, Birmingham, or by applying to the Bristol Trade Commissioner office.

NORTH OF ENGLAND COMMODITY MARKETS

ACTING TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, June 7, 1926.—The abnormal conditions which prevailed during the first half of May due to the general strike, and latterly to the continuation of the coal dispute, naturally served to dislocate trading in most commodities, but at the same time a fair amount of business has been done in certain lines.

TIMBER

The total imports of spruce and whitewood to Liverpool and Manchester during May amounted to 6,940 standards and consumption was 5,810 standards. Stocks of these woods in the two ports mentioned on June 1 stood at 25,470 standards as compared with 28,690 a year ago.

The import of birch has been moderate and stocks mainly of lumber have been adequate to meet requirements. Birch planks from Quebec have lately been selling at from £22 10s. to £25 10s. per standard c.i.f. for merchantable grades, and prime birch boards have sold as high as £50. New Brunswick and Nova Scotia merchantable planks have been offered at around £17 and £16 respectively. Hewn birch logs are very scarce, and average prices are 4s. per cube foot c.i.f. Liverpool. In spruce there has been a fair inquiry chiefly for house-building dimensions.

Recent prices for Nova Scotia deals were in the neighbourhood of £13 10s. c.i.f. for steamer cargoes, with the usual £1 less for scantling sizes. Bay of Chaleur qualities have been making around £15 for deals. Consumption of Douglas fir at Liverpool is shown at 46,000 standards for May 1926, as compared with 15,000 a year ago, and imports amounted to 36,000 standards against 9,000 for the corresponding period of 1925.

Shippers' prices for this wood continue to show considerable variation. Merchantable grades lately were sold at £15 15s. per standard c.i.f., and at the close of the month clears were being offered from £21 10s. to £22. It is reported that Douglas fir decking was recently sold to the Northeast Coast at £33 c.i.f. For the month ending May 31, 1926, unofficial statistics of certain timber imports, consumption and stock are given in comparison with the corresponding period of 1924 and 1925 as follows:—

Liverpool

		Import		Consumption		Stock	
		1925	1926	1925	1926	1925	1926
Douglas fir	Cu. ft.	9,000	36,000	15,000	46,000	131,000	194,000
Birch logs	Cu. ft.	10,000	7,000	29,000	4,000	65,000	31,000
Birch planks	Cu. ft.	24,000	29,000	45,000	15,000	148,000	135,000
Quebec yellow pine deals	..Stds.	240	200	390	190	3,300	4,460
N.B. and N.S. spruce and pine	..Stds.	1,160	1,130	1,830	600	4,570	5,130

Manchester

		Import		Consumption		Stock	
		1925	1926	1925	1926	1925	1926
Douglas fir	Cu. ft.	29,000	....	25,000	8,000	53,000	46,000
Birch logs	Cu. ft.	3,000	3,000	1,000	....	11,000	9,000
Birch planks	Cu. ft.	2,000	4,000	14,000	7,000	80,000	109,000
Spruce deals	..Stds.	300	150	1,880	400	4,510	1,720

GRAIN AND FLOUR

The wheat trade was considerably disorganized by the general strike. Liverpool and Manchester were probably more affected than most other ports as all millworkers in this area were called out by their union early in the dispute. Generally, trade during the month was not active, and prices declined on the average around 1s. to 2s. per quarter. Canadian wheat actually showed rather over 2s. decline, which is partly accounted for by the fact that the premiums obtainable at the beginning of May were worked out as the month progressed. During the first twelve days of May this market had a rising tendency, but prices declined later, mainly due to more favourable weather reports for European and North American crops, continued free offerings of new crop American winter wheat, and much larger shipments from the Atlantic seaboard with the opening of navigation. There have also been freer offers of wheat from India for May, June, and July shipment, although exports from this country are not expected to be large. Stocks in the public warehouses of Liverpool are only moderate, having been reduced by about one-third during the month. In Manchester spot stocks are light. Generally speaking, it would seem that millers have not contracted for future requirements, and with forward wheat offered at a distinct discount under prices asked for near at hand, a steady hand-to-mouth buying policy is anticipated for the present.

A fair amount of business was transacted in Canadian flour during May, as production by the home millers was largely suspended during the general strike, and since then millers have pursued a hesitant policy in offering existing stocks on account of the increasing difficulty over fuel supplies. Home-milled straight run flour lately has been offering at 47s. per sack of 280 pounds ex mill, and Canadian export patents have been sold during the month at an average of 43s. 6d. c.i.f. Liverpool. Australian flour has sold at various figures on spot up to around 47s. Generally speaking, the demand during the month was not large,

but importers in a position to render delivery enjoyed a very fair business. The preliminary figures showing the imports of grain and flour to this area for the month of May, 1926, are as follows:—

	Wheat Quarters	Flour Sacks	Maize Quarters	Barley Quarters	Oats Quarters
Liverpool	291,562	27,965	71,481	1,108	22,708
Hull	162,951	7,361	1,525	23,121	11,167
Manchester	49,962	5,913	7,039	....	7,619
Newcastle	66,530	7,230	5,743	56	11,050

BUTTER

Stocks of all classes of butter were pretty well cleared up in this market during the general strike. Demand, which was exceptionally good owing to the fear of a shortage, suffered a temporary set-back later in the month. The general policy of keeping prices within the limits of pre-strike figures was in most cases adhered to. Motor transports were, in the main, able to effect the delivery of Continental butter to Liverpool and Manchester markets from East Coast ports, with the result that consumption was not greatly affected. Since the strike two boats of New Zealand butter have arrived at Liverpool, which eased the situation considerably, and Continental butter has again been coming forward in normal quantities. Lately fair supplies of good-quality Irish butter have been arriving, and the general statistical position of the market at the time of writing is satisfactory.

No Canadian butter arrivals were reported on the Liverpool market during May, and importers interviewed stated that prices are at present non-competitive with other sources. Average closing quotations were as follows: New Zealand, 172s. to 174s.; Irish creameries, 166s. to 168s.; Danish choicest, 175s. to 177s.; and Swedish, 170s. to 172s. per cwt.

CHEESE

Although the strike upset marketing, the consumption of cheese during May was fairly good. Canadian old matured varieties are now pretty well cleared and new season's fodder has been bringing from 91s. to 92s. There has been a certain inquiry for second grades. New Zealand matured cheese has been in more demand, selling from 93s. to 94s. for white and coloured.

During May 18,243 boxes of ordinary Canadian cheese were imported to Liverpool. Some 7,046 bundles and 210 cases of processed cheese arrived during the month.

BACON

The bacon market throughout the past month was decidedly firm. Consumption was good and the prospects at present are for higher prices. Canadian bacon enjoyed a good offtake. American was extremely scarce and sought after, particularly bellies for the Irish trade. Irish bacon was also scarce. Danish was in continual demand. Some 2,781 cases and 4,743 bales of Canadian bacon arrived at Liverpool during the month.

Average prices at the end of May were as follows: Canadian Wiltshire cuts, 50-80 pounds average, 120s. to 124s. per cwt.; American Cumberlands, 24 to 32 pounds, 118s. to 122s.; Irish, 139s. to 143s.; and Danish, 134s. to 136s.

The following are unofficial estimates of the stocks of provisions in the port of Liverpool on May 31, 1926, in comparison with April 30, 1926, and May 31, 1925:—

	May 31, 1926	April 30, 1926	May 31, 1925
Bacon	6,707	8,626	12,454
Hams	4,122	2,954	6,858
Shoulders	1,538	1,431	1,301
Butter (all countries)	6,840	3,629	4,896
Cheese (full shapes), Canadian and United States	9,774	8,539	7,189
Cheese (full shapes), Australian and New Zealand	2,873	556	451
Cheese (full shapes) (50 pounds and under) .. . . .	....	16	203
Cheese (manufactured)	22,220	16,376	....
Lard (prime steam western)	775	734	1,572
Lard (imported pure refined lard in tierces, firkins, or other packages)	1,976	2,295	3,252

EGGS

Egg trading in May was seriously affected by the general strike. There was of course a tendency to advance prices, but owing to Government action merchants kept quotations within pre-strike levels. The steamship services from Ireland and Denmark were considerably curtailed for several days and by the time the strike was called off there was quite a large accumulation of eggs in Ireland, but within the next two weeks these eggs were cleared away. The cold storage situation was somewhat affected by the strike as a good quantity of Irish eggs were offered cheaply on account of the accumulation, and speculators were able to buy these and store them in Ireland at lower than pre-strike figures. Lately prices for most classes of eggs have been barely maintained, and at the close of the month Irish eggs were only worth from 11s. to 12s. per 120 for 15½ to 16 pounds respectively. Danish supplies are not coming to this market at present on account of the abundance of Irish and domestic eggs. Other Continental eggs, mainly Polish, have been selling for the cheaper-classed trade. No Canadian eggs were reported on Liverpool market.

HAY

Arrivals of Canadian hay at Liverpool during May amounted to 8,850 bales in comparison with 15,000 bales in April. There was a temporary stiffening of prices during the general strike, particularly for domestic hay, as the farmers were able to take advantage of the nearby consumptive demand, while importers were facing difficulties over deliveries. During the month of May average c.i.f. Liverpool prices were around 90s. per ton, but at the close quotations were reported at 87s. 6d., and although importers interviewed do not anticipate a serious slump, the prospects are for still lower figures.

LIVERPOOL IMPORTS OF CANADIAN FOODSTUFFS

ASSISTANT TRADE COMMISSIONER HARRY A. SCOTT

Liverpool, June 1, 1926.—The following statistics covering importations of foodstuffs into Liverpool via regular steamers during the periods from April 1, 1924, to March 31, 1925, and from April 1, 1925, to March 31, 1926, respectively, will be of interest to Canadian exporters:—

	1925-1926	1924-1925
Cheese	Boxes 271,207	252,053
*Cheese—processed	Bundles 83,064	133,840
*Bacon, hams, etc.	Bundles 69,575	63,112
Bacon	Bales 39,377	35,615
Butter	Boxes 79,620	58,656
Butter	Casks 100	200
Butter	Kegs 100	....
Eggs	Cases 5,850	7,098
Lard	Cases 5,298	17,484
Lard	Tierces 200	....
Tongues, ribs, etc.	Tierces and barrels 689	649
Honey	Cases 667	50
Apple juice	Cases 11,698	13,300
Apples, evaporated	Cases 1,350	1,885
Apples, evaporated	Half cases	249
Poultry, frozen	Cases 1,736	2,409
Canned goods—meats, fruits, etc.	Cases 10,255	35,139
Meats, frozen	Packages 63,148	50,663
Beef, chilled	Quarters 3,527	2,892
Beef, frozen	Quarters 8,310	6,568
Beef, frozen	Pieces 673	....
Lambs, frozen . . . . .	....	100
Lambs, chilled . . . . .	....	900
Hogs—frozen pork legs	Cases 157	....
Hogs—frozen . . . . .	....	5,741
Veal, frozen	Sides 87	....
Veal, frozen	Boxes 80	....
Salmon, etc., frozen	6,451	4,352
Fish, fresh in ice	2,971	....
Cider, barrels	69	....

* The word bundle is the regular trade term used when five to six small packages are battened together for transportation purposes.

GENERAL INVOICE REQUIREMENTS OF GREAT BRITAIN

TRADE COMMISSIONER HARRISON WATSON

London, June 2, 1926.—The Secretary to the Commissioners of Customs and Excise, Custom House, London, has furnished the following memorandum respecting customs invoice requirements and some related regulations governing imports in Great Britain and Northern Ireland.

(1) GOODS NOT LIABLE TO ANY CUSTOMS DUTY ON IMPORTATION INTO GREAT BRITAIN OR NORTHERN IRELAND

The importer in Great Britain or Northern Ireland must make entry of all goods with the Customs, in a prescribed form, giving particulars of the importing ship, and the description, quantity, and value of the goods, etc. Except, however, in the special cases mentioned below, the importer is not, in the ordinary course, required to produce any documents; the Customs have power, if they deem it necessary, to call for invoices, bills of lading, and other documents in any case, but this power is not exercised in ordinary circumstances.

(2) GOODS LIABLE TO DUTY (OTHER THAN (3) SPIRITS, (4) GOODS LIABLE TO AD VALOREM DUTIES, AND CINEMATOGRAPH FILMS), AND
(5) SILK AND ARTIFICIAL SILK

2. (a) If admission of the goods is not sought at the preferential rates of duty, on the ground that they are consigned from and grown, produced or manufactured in, the British Empire, the foregoing conditions apply, and no documents are ordinarily required besides the entry.

2. (b) If preference is claimed, the importer must produce with, and in addition to, his entry, a certificate of origin in a prescribed form, issued by the British overseas grower, producer, supplier, or manufacturer, with a further certificate from the actual exporter if he does not give the principal certificate. The requirements are set out in "Notice No. 27a".

(3) SPIRITS

The conditions set out at 2 (a) and 2 (b) apply respectively according as preference is not, or is, claimed. A certificate of age of the spirits, issued by a Canadian revenue official and bearing his official stamp, is accepted for the purpose of determining the question of their eligibility for delivery for consumption in the United Kingdom and their liability to the higher rates of duty in respect of immaturity. In the absence of this certificate the age of the spirits is dated from the arrival of the importing ship.

(4) GOODS LIABLE TO AD VALOREM DUTIES, AND CINEMATOGRAPH FILMS

(a) The importer must in every case produce with the entry the invoice showing the description, the quantity (in the case of cinematograph films the length) and the value (i.e. the price paid to the supplier) of the goods. In the case of goods liable to ad valorem duties, he must also produce the bill of lading, insurance policy and any other relative documents, as evidence of the expenses of freight and insurance of the goods to the port of arrival in Great Britain or Northern Ireland. (If freight and insurance are paid by the supplier and charged in the price for the goods, a certificate to that effect may be given by the supplier on the invoice.) In the case of made-up articles containing silk or artificial silk claimed to be liable to duty at the lower rates (i.e. the 10 per cent or 2 per cent rates), the invoice must contain information as to the proportion of the value of the component materials accounted for by silk or artificial silk.

(b) If preference is claimed, the requirements respecting certificates of origin (shown at 2 (b)) apply, in addition to the above.

(5) SILK AND ARTIFICIAL SILK LIABLE TO SPECIFIC DUTY

The invoice should be produced in all cases. Where the goods consist of yarn or tissues of silk or artificial silk mixed with each other or with other fibres, the invoice should include a statement of the percentage proportion of the weight of the silk or artificial silk to the total net weight of the yarn or tissue.

GOODS IMPORTED BY THE PARCEL POST

In the case of post parcel importations of goods not liable to duty, or of dutiable goods other than goods liable to the ad valorem duties and cinematograph films, and silk and artificial silk no entry is required from the importer (addressee), the duty chargeable (if any) being collected from him by the postal officials when they deliver the parcel to him. Goods liable to the ad valorem duties and cinematograph films and silk and artificial silk must be entered by the addressee with the Customs, and the requirements set out at A (4a) apply. (The importation of saccharine by parcel post is prohibited.)

If the preference is claimed, the proper certificate of origin must be forthcoming, in accordance with the rules explained at 2 (b), except as regards parcels which fulfil the following conditions:—

- (a) they must contain dutiable goods other than manufactured tobacco, refined sugar, syrup, molasses, and other extracts of sugar;
- (b) the contents must not be merchandise for sale;
- (c) the parcels for any one addressee by any one mail must not exceed £10 in value.

In the case of parcels fulfilling these three conditions, a short form of certificate of origin will be accepted. The short form is shown in paragraph 14 of Notice No. 27a.

Certificates of origin for goods imported by parcel post should be enclosed in the parcels.

PROVISIONS OF THE MERCHANDISE MARKS ACT RELATING TO IMPORTED GOODS

So far as concerns these provisions, imported goods fall into three main categories:—

- (a) Goods which bear no marks at all.

These goods are not required to be marked with any indication of the country of their manufacture or production.

- (b) Goods which bear any name or trade mark, being, or purporting to be, the name or trade mark of a manufacturer, dealer or trader in Great Britain or Northern Ireland.

These goods are required to be marked with a definite statement as to the country of their manufacture or production, e.g. "Made in Canada", "Produce of Canada". Failure to comply with this requirement renders the goods liable to forfeiture on importation.

- (c) Goods which bear any false description, statement or other indication, direct or indirect, as to:—
 - (1) the material of which they are made;
 - (2) the mode or place of their manufacture or production;
 - (3) their number, quantity, weight, etc.;
 - (4) their being the subject of an existing patent, privilege or copyright.

These goods are liable to forfeiture on importation.

Marks borne on coverings, wrappings, cartons, etc., are regarded as if applied to the goods themselves.

As regards watches, any mark on the case is deemed to extend to the watch. If therefore a watch-case is made in this country and bears any statement or indication of such origin (as, for instance, a British assay mark), and the watch itself is made in Switzerland, then there must appear either

- (a) in close proximity to the assay mark a conspicuous statement that the watch is of foreign make; or
- (b) on the dial and also on the top or bottom plate of the movement, visible between the bridges, an indelible statement or indication that the watch is of Swiss origin.

All qualifying statements or indications must be distinct, in equally conspicuous and indelible characters with, and in close proximity to, the marks they are intended to qualify.

Marks on samples or patterns, whether of British or foreign manufacture, are not required to be accompanied by any qualification, provided such samples or patterns are valueless in themselves, do not form whole or complete articles, and can be readily distinguished as samples or patterns.

VALUATION FOR DUTY PURPOSES

The value of any article for the purposes of ad valorem duty shall be taken to be the price which an importer would give for the article if the article were delivered freight and insurance paid, in bond at the port of importation, and duty shall be paid on that value as fixed by the Commissioners of Customs and Excise.

The value to be charged with duty must be declared in terms of British currency. Invoices in foreign currencies must be converted to sterling at the rate of exchange quoted in the *Times* as prevailing on the day importing vessel reported at the custom house. When two rates are quoted the higher should be used.

BRITISH REGULATIONS REGARDING REIMPORTATION OF GOODS OF BRITISH MANUFACTURE

A bill of store is a certified extract of the export entry and is applicable only to British returned goods; it is obtained by application to the office searcher at the port from whence the goods have been exported, the date, name of vessel, marks and numbers, and other particulars of exportation being furnished as well as similar particulars of importation.

British goods brought back into Great Britain or Northern Ireland, being of such a kind or description as, if foreign, would be liable to any duty of customs on importation, shall be deemed to be foreign, and liable to the same duties, rules, regulations and restrictions as foreign goods of the like kind or description, unless the same shall be brought back within five years from the time of the exportation thereof, and it shall be proved to the satisfaction of the Commissioners of Customs that they are British goods returned, in which case the same may be entered by bill of store, containing such particulars and in such manner and form as the said commissioners may direct, and be delivered free of duty: Provided always that all goods brought into Great Britain or Northern Ireland for which any drawback might have been received on exportation shall be deemed and treated as foreign, unless admitted to entry by special permission of the Commissioners of Customs and on repayment of such drawback.

Bills of store are issued under Customs and Inland Revenue Act, 1879, for the following British goods brought back into the United Kingdom within five years from the time of exportation: (1) goods bearing the name, brand, or mark of a British manufacturer; (2) goods on which duty has been paid prior

to exportation and on which no drawback has been received; (3) goods on which drawback might have been received on exportation or shipment as stores; and under the Spirit Act, 1880, for (4) British plain spirits reimported for warehousing.

The above provision does not apply to articles liable to motor car, clock and watch, musical instrument, cinematograph film, silk, artificial silk, lace and embroidery duties, and any such articles reimported into Great Britain or Northern Ireland after exportation therefrom are exempt from duty if it is shown to the satisfaction of the commissioners either that the article had not previously to exportation been imported into Great Britain or Northern Ireland at a time when a duty of customs was payable on articles of that class and had not previously to exportation been made in Great Britain or Northern Ireland at a time when an excise duty was payable on any articles of that class or, where duty was paid, that no drawback of duty was allowed on exportation or that any drawback so allowed has been repaid to the Exchequer.

ECONOMIC CONDITIONS IN SOUTH AFRICA AT THE BEGINNING OF THE WINTER SEASON

TRADE COMMISSIONER G. R. STEVENS

Cape Town, May 15, 1926.—Business in South Africa has continued to be quiet and even "patchy" as the winter season approached. This condition is being reflected in next summer's bookings, which are slow. The commercial community is in rather a restless mood, thus reacting to the political situation engendered by the serious legislation at present before the House. In addition, the direct influence of the British strike has been very marked, and unquestionably a considerable volume of both buying and selling has been held up pending the welcome settlement.

With reference to exports: wool is favourable, but the majority of other staples are dull because of the British and Continental outlook. Gold and precious metal production is satisfactory, March being a particularly good month. The coal export trade has improved in sympathy with the British situation.

In the course of the debate upon the tariff changes before the House it was reported that South African pig-iron will be produced for the first time during the present month. Due to this factor and to the stimulus of protection there is considerable activity among the secondary metal-working industries at present.

The outlook in Rhodesia is good, and very favourable in Nyasaland. In East Africa business is dull because of the receding cotton prices of Europe. Other export crops are reported as normal.

TRANSMISSION OF LETTERS AND PARCELS TO CANADIAN TRADE COMMISSIONERS

The attention of Canadian manufacturers and exporters is directed to the fact that recently samples addressed personally to a Canadian Trade Commissioner, but which arrived after that official had left his post, were refused delivery by the shipping company pending return of the documents to Canada. Accordingly it is specially desired that letters or parcels for these offices abroad involving delivery by endorsement of documents should in each case be addressed to the Canadian Government Trade Commissioner at the place of location and not to any official by name.

MARKET FOR CODFISH IN BRAZIL

TRADE COMMISSIONER A. S. BLEAKNEY

[The values mentioned in this report are Brazilian, except where sterling is mentioned. The \$ sign is used between reis and milreis. For instance, 100 reis is written \$100. There are 1,000 reis in a milreis, which is written thus: 1\$000. A million reis or 1,000 milreis is called a conto of reis and is written thus: 1,000\$000. The milreis has recently been running a little over 14 cents.]

Rio de Janeiro, May 14, 1926.—It is of primary interest in making a survey of the codfish market here to establish its extent. The latest Brazilian figures for complete years show the situation, up to and including 1924, as follows:—

IMPORTS OF CODFISH (BACALHAO) INTO BRAZIL

Year	Metric Tons	Value in Contos	Value in £
1913	49,569	25,211	1,681,000
1921	17,822	35,062	1,265,000
1922	16,321	31,674	965,000
1923	15,818	30,911	703,000
1924	19,229	42,331	1,050,000
1925 (January to March)	7,335	18,911	449,000

From the above returns it is apparent that Brazil is not buying anything like the weight of codfish consumed before the war, the percentage of 1924 on 1913 being roughly 40. On the other hand, the figures for values in contos reveal the fact that Brazilians are paying nearly twice as much in their own money for their greatly reduced importations and are evidence of the permanence of demand. Codfish may be considered among the staple foods of Brazil. Brazilians have inherited their predilection for this fish from Portugal. It is served in much the same manner as in Portugal, and is usually cooked with olive oil. The poorer working classes regard it as a treat, and this accounts for the increased sales before Christmas and Lent. The drop in the consumption of this fish as compared with pre-war is largely to be attributed to the decreased purchasing power of the milreis as compared with 1913 and the years immediately preceding. In 1913 the milreis was worth 16d.; in 1921 it had dropped to 8d., in 1922 to 7d., and in 1923 to 5½d., rising in 1924 to just under 6d., and in 1925 to 6⅛d., to give average yearly rates. An examination of the figures above quoted of tonnage imported shows a distinct relation between tonnage imported and the purchasing power of the milreis in terms of pence. Such a relation is natural as codfish has to meet the competition of dried beef and black beans, and dried fish in Northern Brazil, all locally produced, these being the articles of diet which enter most closely into competition with imported dried cod, while of course fresh fish, fresh meat, eggs and other staples are also factors.

Taking the sterling equivalents of the Brazilian values above, it is seen that the total annual requirements of Brazil, averaged during the four post-war years given, are close to one million pounds sterling. The average annual consumption for the same period is 17,297.5 tons, giving a consumption per capita of 1.15 pounds on the basis of a population of 33,000,000.

Imports in 1924 were distributed among the principal ports as follows: Rio de Janeiro, 7,603 tons; Santos, 4,286 tons; Pernambuco, 3,938 tons, and Bahia, 2,303 tons. Other ports taking smaller quantities are: Maceio, 501 tons; Para, 129 tons; Rio Grande, 107 tons, and Maranhão, 104 tons.

Canadian shipments of dried cod and hake—which are placed together in the Brazilian statistics—to this country from 1920 to 1924 inclusive have been as follows: 3,817 tons, 4,277 tons, 4,267 tons, 1,974 tons, and 1,599 tons. There are no Brazilian figures for imports by countries for 1925, but from Canadian sources 30,682 cwt. are given for the last three-quarters of 1924 which equals 1,394 metric tons.

In 1924 the trade was divided as follows amongst the different exporting countries: Newfoundland, 6,157 tons; Great Britain, 6,091 tons; Norway, 4,797 tons; Canada, 1,598 tons; United States, 364 tons; various, 219 tons. For the two years ending 1924 shipments from Canada have been halved as compared with the years 1920 to 1922. During this period United Kingdom and Norwegian shipments have shown a steady improvement, particularly the former. Newfoundland shipments were cut in two in 1923-24 as compared with 1920 to 1922. Norway and Great Britain have been forging ahead at the expense of Canada and Newfoundland.

THE SAO PAULO MARKET

The principal market for Canadian dried cod in Brazil is found in the hinterland of the port of Santos, which feeds the important state and city of Sao Paulo and southern Matto Grosso. The imports of codfish through Santos for 1924 included 2,185 tons from Norway, 1,238 tons from Canada, and 798 tons from the United Kingdom.

For the Lenten business Norwegian cod leads, but Canadian comes a good second. The exact factors which result in the popularity of Canadian cod at Santos and not at Rio are difficult to determine. Sao Paulo importers supplying the interior seek a small fish of very dry cure with good keeping qualities, and certain importers explain the success at Santos on this basis. Others state that the success of one or other of the different imported fish was largely a matter of local preference, and pointed to the fact that in Brazil are found distinct areas of more or less segregated nationalities such as Portuguese, Italians, and Germans, where the preferences which they have inherited still persist. All pointed to the necessity of exporters paying particular attention to supplying the type of fish and cure specified. Climate too varies greatly in Brazil from the tropics of Pernambuco and Bahia to the semi-tropical weather of Rio in the cool season and the fairly temperate weather of Sao Paulo. In the tropical belt a specially good keeping cure is required, and small Newfoundland lingfish packed in barrels and half barrels are popular.

THE RIO DE JANEIRO MARKET

As has already been shown, Rio and its tributary areas constitute the most important division of the dried codfish market. Deliveries to the trade for consumption in January were 28,600 cases against 7,365 in the Santos area, and in February 27,200 against 12,953 for Santos. There is a preponderance of the Scotch fish on the Rio market followed by Norwegian; a relatively small proportion is Canadian. The appearance of the Scotch fish, and in a lesser degree the Norwegian fish, is in their favour. Samples of good-quality Aberdeen fish examined were of a nice white colour. These were mostly over 26 inches although there is a demand for the smaller sizes, which are, however, usually packed in half cases or tubs. The meat was of a uniform texture, not mushy in spots. The fish were well split with white nape and torn edges trimmed, were unspotted and unpitted, well washed and dried. It is not intended to suggest that the Scotch cure is better than the Canadian—indeed even the most critical admitted that the Canadian fish had a superior flavour—but it is important to point out the characteristics of the Scotch fish which are represented by the trade as responsible for its popularity. It is possible that without changing the Canadian cure radically, or detracting from its recognized superiority from certain points of view, something might be done by selection and minor modifications of the cure, together with particular attention to dryness, nape, and torn edges, to bring it more in line with the preference of the Rio market.

The foregoing remarks do not apply to Canadian lingfish, which have a fairly good footing and are sold as cod. These appeared to be highly appreciated, on account of their superior keeping qualities, and indeed are in a separate category. There was every indication that there was room for further Canadian shipments of ling to the Rio area, and exporters specializing in this article would do well to exploit the Rio market further. In regard to cod, however, the consensus of opinion amongst importers is that if Canadian fish is to establish itself strongly, only first-quality should be shipped at first, that it should be consigned under distinctive and "catchy" trade marks, and that the quality and characteristics of the fish shipped under these marks should be rigidly adhered to. Most of the United Kingdom fish is exported by one firm, who ship under recognized marks and follow the methods recommended above. This firm has a large turnover and it is understood large interests in the fishing industry. The use of the steam trawler permits of continuous shipments, which are necessary if a consistent aggressive sales policy is to be followed. On account of their large turnover, they have facilities for standardizing the cure and for shipping on consignment, which policy they followed consistently during 1925, when they flooded the market to such a degree that superior cod went as low as 40s. per case, and even at this price they continued to make heavy shipments. Owing to an improvement in exchange and the approach of Lent, prices rose in the early part of 1926 to 60s. United Kingdom interests are extremely well organized to exploit this market and constitute formidable competition, which can only be met by similar organization on the part of Canadian exporters and an intelligent, well thought out and continuous policy. British exporters visit the market from time to time, and owing to the permanent nature of the codfish market in Brazil which well merits attention, periodical visits from representatives of Canadian interests appear to be desirable.

Important trade marks for Scotch fish here are "Director," "Gerente," "Secretaria," and "Mundo"—all from the same firm, representing firsts, seconds, thirds, and fourths respectively. The difference in price represented by these grades is 20, 10, and 5 milreis per case. The above marks are Portuguese words which readily indicate the grade of the fish, as the words represent the different grades of rank in a Brazilian office.

Owing to the growing practice previously mentioned of consigning fish, the question of duties and charges becomes of interest to Canadian exporters adopting this method of selling, and the following example of how duties are worked out shows the final duties payable, and is of interest as illustrating the difficulty of quoting rates of duty in this country:—

CALCULATION OF IMPORT DUTY ON CODFISH

1. The rate for import duties is \$060 per kilo on net weight of fish taken from the consular invoice.

2. The duties are payable: 40 per cent in paper milreis; 60 per cent in gold—value of gold milreis is informed daily by the Bank of Brazil, which, following course of exchange, fixes the cipher known as "Agio for conversion".

3. In respect of "dock and harbour dues" there is also a charge of 2 per cent gold on the "official value" of the codfish, calculated as five times the amount of duties payable (rate indicated in the printed tariff).

4. Further must be added \$020 (twenty reis) per volume as statistical tax.

5. For "revision" an additional .2 per cent (payable 60 per cent gold and 40 per cent paper) of the duties.

Example

100 cases—5,800 kilos at \$060 per kilo = 348\$000,

Payable in gold

60% of rs. 348\$000	208\$000
2% of "Official value" i.e., of Rs. 1;740\$000	34\$800
2% of Rs. 348\$000 = \$696 (60%)	\$417

244\$017 payable in gold

Payable in paper

40% of duties (348\$000)	139\$200
\$020 per pkg., Statistical tax, on 100 cases	2\$000
2% of Rs. 348\$000 (Revision = \$696 of which 40% =	\$279

141\$479

Total duties Rs. 385\$496 payable as follows:—

Rs. 244\$017 in gold.

Rs. 141\$479 in gold.

"Agio for conversion (variable) say is Rs. 3\$719

Gold quota = 244\$017 x 3\$719 = Rs. 907\$499

Paper quota = 141\$479

Total import duty 1:048\$978

Other normal charges as given by an old-established British firm are as follows: cartage, \$900 per case; warehousing, \$800 per case; fire insurance, \$500 per case. The usual commission is 5 per cent based on the actual price realized on the goods ex-warehouse or 6 per cent with "del credere".

COMMERCIAL AND FINANCIAL CONDITIONS IN BRAZIL

TRADE COMMISSIONER A. S. BLEAKNEY

NOTE.—1 conto = about \$150 Canadian at date of writing.

Rio de Janeiro, May 30, 1926.—Total imports for February just published show a decline over the previous month and the same month last year as follows:—

	Metric Tons	Contos of Reis	£1,000 Sterling
February, 1926	379,807	219,403	6,642
January, 1926	487,269	223,530	6,854
February, 1925	392,828	268,426	6,326

On a weight basis, the imports of 379,807 metric tons for February compare unfavourably with the mean monthly tonnage of imports for 1925, which was 403,626,000 tons. The returns for duty paid during the first twenty-seven days of May at the customs house of Rio de Janeiro are, however, considerably better than for the same period last year: 5,239 contos paper and 5,063 contos gold against 4,369 contos paper and 4,753 contos gold last year.

The arrivals of codfish for the period April 16 to 30 at Rio showed 4,632 cases, 1,591 half-cases, and 63 barrels from the United Kingdom, and 1,017 cases from Buenos Aires. Prices during this period were published as 110 to 130 milreis for cases, 50 to 65 milreis for half-cases, and 110 to 115 milreis for tins. This is the quiet season for codfish imports. For the period stated flour arrivals at Rio were 5,550 sacks from New York and 1,500 from Buenos Aires. Prices ran about 41 to 43 milreis per sack of 44 kg. Owing to the shortage in the Argentine wheat crop, there is a good opening for Canadian flour. Cement arrivals during the period stated were 16,806 barrels from Belgium, 6,000 from Bremen, 2,750 from Stockholm, 3,000 from London, and 100 from New York.

EXCHANGE

The mean sight drawing rate on New York for 1925 was 8\$324 to the dollar. In January of this year it was 6\$749, in February 6\$809, in March 6\$949, in April 7\$171. May has witnessed a marked fall in the dollar rate,

closing at 68636. The improvement in the milreis is generally attributed to the success of the Federal Government loan for \$35,000,000 floated in New York on May 21, which is reported to have been taken up immediately the lists were opened. This loan, redeemable at par in 1958, was issued at 90 and bears interest at $6\frac{1}{2}$ per cent calculated to yield $7\frac{1}{3}$ per cent. It is guaranteed by various Government taxes.

COFFEE

While the temporary depression in the milreis during April and the first two weeks of May gave promise of stimulating the American demand, the sharp rise which occurred in the latter part of the month discouraged American buyers. It is generally believed that a further rise in the milreis following the good reception of the Consolidation Loan in New York, together with the persistent resistance of United States buyers, will react unfavourably on business.

MANUFACTURING IN SAO PAULO

From 1913 to 1923 there was a steady increase in the value of the output of industry in the Sao Paulo manufacturing area. The output in 1913 was valued at 232,201 contos; in 1923 (the best year) it reached 1,611,633 contos. In 1924, however, it dropped to 1,222,367 contos, and it is anticipated, because of the shortage of power, that the figures for 1925 will show a further decrease. The development up to 1923 kept pace with the frequent issues of paper money and low exchange. With the increase in the value of the milreis and heavier taxation, many of the factories are faced with more difficult conditions.

PACKING AND LABELLING OF CANNED SALMON FOR ARGENTINA

D. FORSTER, OFFICE OF THE TRADE COMMISSIONER

Buenos Aires, May 24, 1926.—The attention of all packers and exporters of canned salmon and other fish is drawn to a new Argentine law which will be in force on and after June 24, 1926. A complete copy of this law, which covers the packing and labelling of food products, can be obtained upon application to the Department of Trade and Commerce, Ottawa, but the following are the clauses of particular interest to salmon packers:—

Article 5.—(1) Metal containers for acid food products or those packed in acidulous liquids, solutions of common salt or brine, must be coated internally with a protecting varnish free from poisonous substances. . . .

(3) Aqueous liquid or other methods that exceed 0.10 grammes per cent, expressed in sulphuric acid, shall be considered as acidulous.

Article 3.—In the painting, decorating and enamelling of the vessels, utensils and accessories only uninjurious paints will be permitted, those containing antimony, arsenic, barium, cadmium, copper, chrome, mercury, lead, uranium and zinc in soluble form being prohibited.

Article 4.—The solder for closing the vessels must be constituted with tin containing as a maximum 1 per cent of lead and 0.01 per cent of arsenic for internal soldering and 10 per cent of lead and 0.01 per cent of arsenic for external soldering.

Until recently food products entering Argentina have not been chemically tested for their acidity, but upon being analysed it has been found that canned salmon produces an acid reaction of between 0.6 and 0.7 per cent of sulphuric acid, so that tins containing salmon must be varnished internally or they are liable to be rejected upon arrival at the Argentine customs house.

There are also special regulations concerning the labelling of food products for Argentina which are covered by Articles 12 and 18 of the law referred to above.

COMMERCIAL CONDITIONS IN MEXICO

TRADE COMMISSIONER C. NOEL WILDE

Mexico City, June 1, 1926.—During the month of May commercial conditions in Mexico have shown a continuance of the tendencies which have characterized them during the past few months. In general, this period has been marked by a gradual decrease in activity in most branches of business, and it is expected that this situation is likely to continue during the next three months. No definite opinion can be expressed as to the causes underlying the feeling of depression which has recently developed; there is no doubt, however, that many factors are involved, of which some are of a purely psychologic nature, with little definite basis in facts which can be made the subject of analysis.

Among other causes to which the present situation is attributed may be mentioned the decreasing agricultural production, heavy taxation, the attitude of labour, reduction in the output of petroleum, and new legislation affecting the commercial and industrial activities of the country.

Decline in Agricultural Production.—It is an accepted fact that agricultural production has been on a decreasing scale for many years, more especially in the cases of corn, beans, and wheat; these form the staple food of the poorer classes, and the reduced crops have led to increased prices with which wages have not recently kept pace; thus demands for increased remuneration have been made by labour, which employers claim they cannot afford to pay without increasing the cost of their product. Such increased costs act as a check on production, reducing the demand for labour, which again finds itself involved in the vicious circle of lowered wages and high prices.

Taxation.—With regard to taxation, it appears to be generally recognized that any difficulties which arise are due as much to uncertainty in regard to what taxes are payable, as to their actual amount. It is claimed that business can adjust itself readily to any scheme of taxation, provided that it is continuous over a sufficiently extended period, but that uncertainty as to its incidence acts as a check on any extension of business which might otherwise take place. On the other hand, it must be admitted that the increased taxes have placed the Treasury in a stronger financial position than it has enjoyed for many years, and has enabled the Government to start many schemes of internal improvement such as the construction of roads, harbours, and irrigation works on a very extensive scale without the aid of foreign loans.

Labour and Legislation.—The attitude of labour and the reduction in the output of petroleum have been mentioned in previous reports and require no further comment at the present time. With regard to new legislation, laws have recently been promulgated dealing with such varied subjects as immigration, land, railways, labour, mining, insurance, monopolies, and oil. Many of the provisions contained in these laws make drastic changes in the methods of operation hitherto existing, and while not necessarily injurious to the interests concerned, require serious study before their full implication can be completely understood. In the meantime there is a natural hesitation on the part of capitalists to invest funds or to enter into new commercial undertakings until the new laws have been in operation for a reasonable period, or it is known that they have been reduced to their final form.

Sensitiveness of Industry.—A further factor of a less definite nature must always be taken into account when considering the question of commercial conditions in Mexico. During the revolutionary period (say, from 1911 to 1918) business was conducted under great difficulties, and no one could foresee the result of any commercial operations in which he was engaged. This induced a highly sensitive attitude on the part of traders, and made them susceptible to influences which of themselves were in many cases of little importance. The

attitude still persists, although the reasons for it may have disappeared; thus, periods of depression and confidence succeed each other with greater rapidity, and to a much greater extent, than is usual in other countries.

It would appear that a period of depression exists at present, due to a combination of circumstances in which the last-mentioned factor should be given due weight. Its influence is characterized by a difficulty in making collections, high interest rates, and a hesitation to invest capital in new enterprises. Many merchants are reported to be reducing stocks to the minimum, and purchasing only for immediate requirements; this has had the effect of increasing the deposits in the banks, whose financial statements therefore do not reflect the prevailing sentiment.

Commodity Markets.—A detailed analysis of the position of various industries indicates that the demand for textiles has decreased, and many mills are manufacturing principally for stock. The boot and shoe industry is reported to be fairly prosperous, and manufacturers are satisfied with the outlook for the immediate future. The imports of mining machinery maintain their volume, and importers of chemicals report a fair demand. The sales of automobiles have decreased owing to the introduction of a retail sales tax of 10 per cent ad valorem; it is anticipated, however, that this will be modified at an early date in favour of a sliding scale of import duties. Retail merchants complain of a lack of demand, which in some cases is seasonal in its nature.

Exchange.—Exchange on New York has been subject to unusual fluctuations during the month. Opening at 48.52 (cents to the peso), it gradually fell until the 24th, when it touched the low price of 47.60; a rapid improvement then took place, and on the 31st it closed at 48.50. Local discount on silver has varied between 1.30 and 2 per cent.

UNITED STATES REQUIRES MARKING ON IMPORTED BRICK

Under United States Treasury Decision 41604, it is ruled that brick imported from foreign countries are subject to individual marking to indicate the country of origin, under the general marking regulations provided in section 304 of the Tariff Act of 1922. It is announced that in order to give foreign manufacturers and importers time to adjust their business to the new requirement, any brick arriving within ninety days after the date of the publication of this decision in the weekly Treasury Decision should be admitted without marking in accordance with the former practice. The decision was published on June 10. In connection with this ruling it is explained that representations were made to the Department by the Common Brick Manufacturers' Association of America that brick are capable of being marked without injury and that more than 50 per cent of the brick manufactured in the United States are marked with the distinguishing mark put on at the time of production. The Department had previously issued no specific instructions to Collectors of Customs that individual brick are not required to be marked but private parties had been advised that brick was considered as raw building material and consequently not subject to the general marking requirement of the country. However, this attitude is now changed.

NYASALAND TRADE IN 1925

According to the report on the external trade of the Protectorate of Nyasaland for the year ended December 31, 1925, imports into and exports from the Protectorate during the year under review amounted to £591,654 and £564,926, as compared with £548,156 and £583,555 respectively in 1924. The values of the chief groups of imports were: manufactured articles, £507,739; food, drink, and tobacco, £45,498; and raw materials, £6,676, while the principal export groups were food, drink, and tobacco £414,561, and raw materials £129,459.

REDUCTIONS IN LETTER POSTAGE FROM JULY 1, 1926**From 3 Cents to 2 Cents**

On and after July 1, 1926, the rate of postage on letters for Canada, the United States, Mexico, and all other places in the North American Continent, will be 2 cents for each ounce or fraction thereof.

The 2-cent letter rate will apply from July 1 on letters posted in Canada addressed to:—

Canada	Dutch West Indies (Aruba, Bon-
United States	aire, Curacao, Saba, St. Eus-
Newfoundland	tatius, St. Martin)
Mexico	French West Indies (Martinique,
British West Indies (Bermuda, St.	Guadeloupe)
Kitts, Antigua, Montserrat, Domin-	Guatemala
ica, St. Lucia, Barbados, St. Vin-	Haiti
cent, Grenada, Trinidad, Bahamas,	Honduras Republic
Jamaica, British Guiana, British	Nicaragua
Honduras)	Panama Republic
Costa Rica	Salvador
Cuba	St. Pierre and Miquelon.
Dominican Republic	

It should be noted that the rate on letters posted in Canada for local delivery will continue to be 2 cents for the first ounce and 1 cent for each subsequent ounce or fraction thereof.

From 4 Cents to 3 Cents

On and after July 1, 1926, the rate of postage on letters for Great Britain and all other places within the Empire, except in the North American Continent, will be 3 cents for each ounce or fraction thereof.

The 3-cent letter rate will apply from July 1 on letters posted in Canada addressed to:—

Great Britain (including Northern	Kenya
Ireland)	Federated Malay States
Irish Free State	Malta
Australia	Mauritius
New Zealand	New Hebrides
South Africa, Union of	Nigeria
India	British North Borneo
Ascension	Nyasaland Protectorate
British Somaliland	Rhodesia
Brunei	St. Helena
Ceylon	Sarawak
Cyprus	Seychelles
Egypt	Sierra Leone
Falkland Islands	Solomon Islands
Fiji Islands	South West Africa
Gambia	Straits Settlements
Gibraltar	Tanganyika
Gilbert and Ellice Islands	Tonga
Gold Coast Colony	Zanzibar.
Hong Kong	

TRADE INQUIRIES FOR CANADIAN PRODUCTS

Since the publication of the last *Commercial Intelligence Journal* there have been received the following inquiries for Canadian products. The names of the firms making these inquiries, with their addresses, can be obtained only by those specially interested in the respective commodities upon application to: "THE COMMERCIAL INTELLIGENCE BRANCH OF THE DEPARTMENT OF TRADE AND COMMERCE, OTTAWA," OR THE BOARDS OF TRADE AT ST. JOHN, HALIFAX, QUEBEC, SHERBROOKE, MONTREAL, TORONTO, WOODSTOCK, ST. MARY'S (ONT.), WINNIPEG AND VANCOUVER; THE CHAMBERS OF COMMERCE AT BELLEVILLE, PETERBOROUGH, HAMILTON, ST. CATHARINES, STRATFORD, BRANTFORD, LONDON, ST. THOMAS, AND VICTORIA (B.C.); THE CHAMBRE DE COMMERCE, DISTRICT OF MONTREAL; BORDER CHAMBER OF COMMERCE, WINDSOR; THE CANADIAN MANUFACTURERS' ASSOCIATION OFFICES AT TORONTO, MONTREAL, WINNIPEG, VANCOUVER, AND VICTORIA; AND THE KITCHENER AND WATERLOO MANUFACTURERS' ASSOCIATION, KITCHENER (ONT.).

Foodstuffs

639. Old-established Antwerp importer desires to hear from Canadian exporters of foodstuffs of all kinds. Quotations c.i.f. Antwerp.

640. CANNED SALMON AND PILCHARDS.—An Antwerp importer wishes to hear from Canadian exporters. Quotations c.i.f. Antwerp.

641. LARD.—An established Liverpool firm of provision importers, now securing lard from United States sources, are interested in establishing a connection with a Canadian packer not already represented on this market.

642. EVAPORATED APPLES.—An agent in Hamburg, Germany, wishes to secure the representation of a Canadian exporter.

643. FLOUR.—An Amsterdam firm desire to represent a Canadian exporter of flour.

644. CEREALS.—An Amsterdam firm are desirous of representing a Canadian exporter of cereals (wheat, barley, oats, etc.).

645. FEEDING GRAINS.—A Rotterdam importer would like to establish connections with Canadian exporters of feeding grains, barley, oats, and rye.

Miscellaneous

646. FURS.—Important Antwerp firm desire to hear from Canadian exporters of rabbit and hare skins and furs of all kinds. Quotations c.i.f. Antwerp.

647. CRUDE SULPHUR.—An Antwerp importer wishes to hear from Canadian exporters of crude sulphur. Quotations c.i.f. Antwerp.

648. PICTURE MOULDINGS; PHOTOGRAPHIC SUPPLIES.—A firm in Port of Spain, Trinidad, would like to obtain catalogues from Canada for mouldings, frames, picture mounts, and photographic supplies generally.

649. CARDBOARD.—A firm of general merchants in New Zealand desire to receive quotations from a firm in a position to export waxed cardboard to be used for making egg cartons.

650. PAPER BAGS.—A firm of paper and stationery merchants in New Zealand would like to get in touch with a Canadian firm manufacturing mothproof garment bags.

651. HARDWARE AND METAL GOODS.—A manufacturers' agent at Cape Town, with branches at Durban and Johannesburg, is desirous of representing Canadian exporters of these commodities on the basis that such representation will be exclusive for the whole of the territory of South Africa. The agent in question is long established and has very large selling facilities.

652. ELECTRICAL GOODS.—A New Zealand firm of indentors and manufacturers' representatives desire to hear from Canadian manufacturers of high-quality electrical goods and specialized electrical lines.

653. ELECTRIC DESTRUCTOR.—A firm of general agents in New Zealand desire to receive catalogues and prices from a firm exporting an electric destructor for ordinary household garbage.

654. MOTOR ACCESSORIES, ETC.—A New Zealand firm of indentors and manufacturers' representatives would like to hear from Canadian firms in a position to export motor, bicycle, and motor cycle accessories and parts.

655. REPRESENTATION.—A general agency house in Wellington, New Zealand, is desirous of representing Canadian exporters.

FOREIGN EXCHANGE QUOTATIONS FOR THE WEEK ENDING JUNE 21, 1926

The Foreign Exchange Department of the Bank of Montreal has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending June 21, 1926. Those for the week ending June 14, 1926, are also given for the sake of comparison.

	Parity		Week Ending June 14, 1926	Week Ending June 21, 1926
Britain	1.00	\$4.86	\$4.85½	\$4.86
Belgium	1.	.193	.0286	.0289
Czecho-Slovakia	1.	.203	.0296	.0296
Finland	1.	.193	.0252	.0252
France	1.	.193	.0278	.0288
Holland	1.	.402	.4008	.4010
Italy	1.	.193	.0356	.0361
Spain	1.	.193	.1553	.1631
Portugal	1.	1.08	.0515	.0520
Switzerland	1.	.193	.1934	.1932
Germany	1.	.238	.2379	.2377
Greece	1.	.193	.0124	.0125
Norway	1.	.268	.2212	.2208
Sweden	1.	.268	.2672	.2678
Denmark	1.	.268	.2648	.2645
Austria	1.	.14125	.1400	.1412
Japan	1.	.498	.4682	.4677
Siam	1.	.3709	.4450	.4550
India	1.	2s.	.3662	.4890
United States.. . . .	1.	\$1.00	.9993	.9987
Mexico	1.	.498	.4895	.4890
Argentina	1.	.424	.4037	.4050
Brazil	1.	.324	.1546	.1562
Roumania	1.	.198	.....	.....
Jamaica	1.	4.86½	4.8450	4.8450
British Guiana	1.	1.	1.00625—1.01875	1.00625—1.01875
Barbados	1.	1.		
Trinidad	1.	1.		
Dominica	1.	1.		
St. Kitts	1.	1.		
Grenada.. . . .	1.	1.		
St. Vincent.. . . .	1.	1.		
Tobago.. . . .	1.	1.		
Shanghai, China	1.	.708	.7287	.7301
Batavia, Java	1.	.4020	.4012	.4012
Peru	1.	4.86½	3.7200	3.6100
Singapore, Straits Settlements.. . . .	1.	.567	.5725	.5725

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To LONDON, PLYMOUTH AND CHERBOURG.—Ausonia, July 3; Alaunia, July 10; Antonia, July 23—all Cunard Line.

To LONDON.—Bosworth, July 3; Bolingbroke, July 10; Brecon, July 17—all Canadian Pacific; Canadian Trapper, July 7; Canadian Raider, July 17; Canadian Rancher, July 27—all C.G.M.M.

To LIVERPOOL.—Aurania, July 2; Moveria, July 8—both Cunard Line; Canada, July 3; Regina, July 7; Megantic, July 17; Doric, July 24—all White Star-Dominion; Montcalm, July 2; Montclare, July 9—both Canadian Pacific.

To AVONMOUTH.—Huronian, White Star-Dominion, July 17; Kastalia, Anchor-Donaldson Line, July 3.

To NEWCASTLE AND LEITH.—Cairnross, July 2; Cairndhu, July 9—both Thomson Line.

To GLASGOW.—Salacia, July 2; Athenia, July 9—both Anchor-Donaldson; Metagamia, Canadian Pacific, July 15.

To SOUTHAMPTON.—Minnedosa, June 30; Melita, July 14—both Canadian Pacific.

To MANCHESTER.—Manchester Hero, July 1; Manchester Importer, July 8; Manchester Division, July 15—all Manchester Liners.

To CARDIFF AND SWANSEA.—Canadian Commander, July 2; Canadian Mariner, July 16—both C.G.M.M.

To DUBLIN AND BELFAST.—Carrigan Head, Head Line, June 30.

To ANTWERP.—Minnedosa, June 30; Melita, July 14—both Canadian Pacific; Canadian Trapper, July 7; Canadian Raider, July 17; Canadian Rancher, July 27—all C.G.M.M.

To HAVRE.—Laval County, Intercontinental Transports Ltd., July 13.

To ROTTERDAM.—Potsanger, June 30; Birk, July 13; Essex County, July 24—all Intercontinental Transports Ltd.

To HAMBURG.—Hastings County, June 30; Grey County, July 8; Hada, July 23—all Intercontinental Transports Ltd.; Cairngowan, Thomson Line, July 7.

To COPENHAGEN AND BALTIC PORTS.—Arkansas, Scandinavian-American Line, July 15.

To AUSTRALIAN PORTS.—Canadian Miller, C.G.M.M., July 10.

To NEW ZEALAND PORTS.—Canadian Constructor, C.G.M.M., July 24.

To SOUTH AMERICAN PORTS.—Augvald, July 4; Romsdalshorn, July 25—both Houston Line.

To WEST AND SOUTH AFRICAN PORTS.—Cariboo, Elder Dempster Line, July 15.

To ST. KITTS, ANTIGUA, BARBADOS, TRINIDAD AND DEMERARA.—Canadian Runner, July 3 (calls at Guadeloupe); Canadian Squatter, July 13; Canadian Carrier, July 23—all C.G.M.M.

To BERMUDA, BAHAMAS, JAMAICA AND BRITISH HONDURAS.—Canadian Fisher, June 30; Canadian Forester, July 21—both C.G.M.M.

To ST. JOHN'S, Nfld.—Canadian Sapper, C.G.M.M., June 30, July 22 (calls at Charlotte-town); Hitherwood, Intercontinental Transports Ltd., June 30.

From Quebec

To GLASGOW.—Montnairn, Canadian Pacific, July 1.

To SOUTHAMPTON.—Empress of France, Canadian Pacific, July 7.

To HAMBURG.—Empress of France, Canadian Pacific, July 7.

From Halifax

To LIVERPOOL.—Newfoundland, June 30; Nova Scotia, July 17—both Furness, Withy.

To ST. JOHN'S, Nfld.—Newfoundland, June 30; Nova Scotia, July 17—both Furness, Withy; Farnorth, Farquhar SS., June 26, July 7.

To NEWFOUNDLAND SOUTH COAST OUTPORTS AND ST. PIERRE-MIQUELON.—Skipper, Farquhar SS., July 6.

To NEWFOUNDLAND WEST COAST OUTPORTS.—A steamer, Farquhar SS., July 13, July 27.

To SANTIAGO AND KINGSTON.—Caledonia, Pickford & Black, July 14.

From Vancouver

To YOKOHAMA, KOBE, NAGASAKI, SHANGHAI, HONG KONG AND MANILA.—Empress of Asia, Canadian Pacific, July 22.

To YOKOHAMA, KOBE, SHANGHAI AND HONG KONG.—Empress of Australia, Canadian Pacific, July 8.

To YOKOHAMA, KOBE, MIKE AND HONG KONG.—Protesilaus, Blue Funnel, July 15.

To YOKOHAMA, KOBE, DAIREN, TAKU AND SHANGHAI.—London Maru, July 2; Alabama Maru, July 17—both Osaka Shosen Kaisha.

To YOKOHAMA, KOBE, MOJI AND SHANGHAI.—Africa Maru, Osaka Shosen Kaisha, July 7. To HONOLULU, SUVA, AUCKLAND AND SYDNEY.—Aorangi, June 30; Wairuna, July 18 (calls at Melbourne and Wellington)—both Canadian-Australasian Line.

To WEST COAST UNITED KINGDOM PORTS.—Canadian Skirmisher, C.G.M.M., July 17.

To LIVERPOOL.—Grootendyk, late June; Drechtdyk, early July—both North Pacific Coast Line.

To MANCHESTER.—Pacific Trader, July 1; London Importer, July 16—both Furness Pacific Line.

To LONDON AND ANTWERP.—Grootendyk, late June; Drechtdyk, early July—both North Pacific Coast Line; Canadian Pioneer, C.G.M.M., July 10.

To ROTTERDAM.—Grootendyk, late June; Drechtdyk, early July—both North Pacific Coast Line.

To HAMBURG, ANTWERP AND BREMEN.—Osiris, United American Lines, July 3.

To BARCELONA, MARSEILLES, GENOA, NAPLES, LEGHORN AND TRIESTE.—Cellina, Navigazione Libera Triestina, July 25.

To WEST COAST SOUTH AMERICAN PORTS.—Geisha, Winge & Co.'s Line, July 15.

To AUSTRALIAN AND NEW ZEALAND PORTS.—Montague, Pacific-Australian Line, July 15.

COMMERCIAL INTELLIGENCE SERVICE

Director: W. McL. Clarke, Ottawa

CANADIAN TRADE COMMISSIONERS

Argentine Republic

E. L. McColl, Reconquista No. 46, Buenos Aires.
Cable Address, Canadian.

Australia

D. H. Ross. Address for letters—Box 140 G.P.O., Melbourne. Office—Stock Exchange Building, Melbourne. *Cable Address, Canadian.*

Belgium

Yves Lamontagne, 98 Boulevard Adolphe Max, Brussels. *Cable Address, Canadian.*

Brazil

A. S. Bleakney. Address for letters—Caixa Postal 2164 Rio de Janeiro; office, Avenida Rio Branco, 9. *Cable Address, Canadian.*

British West Indies

James Cormack. Address for letters—P.O. Box 125, Port of Spain, Trinidad. Office, Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, British Guiana, Porto Rico and Venezuela.) *Cable Address, Canadian.*

P. W. Cook. Address for letters—P. O. Box 225, Kingston, Jamaica. Office—Jamaica Mutual Life Insurance Building. (Territory covers Jamaica, Cuba, Hayti, San Domingo, Central American States, Colombia, Bermuda and the Bahamas.) *Cable Address, Cantracom.*

China

L. M. Cosgrave. Address for letters—P.O. Box 300. Office—North China Daily News Building, 17 The Bund, Shanghai. *Cable Address, Cancoma.*

France

Hercule Barré, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Cancomac.*

Germany

L. D. Wilgress, Gutrufhaus, Neuerwall 10, Hamburg 36. *Cable Address, Mapleleaf.* (Territory covers Germany, Russia; the countries on the eastern shore of the Baltic, Poland and Czechoslovakia.)

Holland

F. H. Palmer, Zuidblaak 26, Rotterdam. *Cable Address, Watermill.*

India and Ceylon

Acting Trade Commissioner, P.O. Box 2003, Calcutta. *Cable Address, Canadian.*

Irish Free State

A. F. MacEachern, Acting Trade Commissioner, 66 Upper O'Connell street, Dublin. *Cable Address, Canadian.*

Italy

J. J. Guay, Acting Trade Commissioner, Via Manzoni, 5 Milan 2. *Cable Address, Canadian.*

Japan

J. A. Langley. Address for letters, P.O. Box 230, office. Room No. 2, Meikai Building, Kobe. *Cable Address, Canadian.*

Mexico

C. Noel Wilde. Address for letters, Apartado Num. 126-bis, Mexico City. Office, Edificio Banco de Londres y Mexico, Num. 30. *Cable Address, Cancoma.*

Netherlands East Indies

R. S. O'Meara, P.O. Box 34, Batavia, Java. (Territory covers Straits Settlements, Federated Malay States, Indo-China, and Siam.) *Cable Address, Canadian.*

New Zealand

C. M. Croft. Address for letters, P.O. Box 33, Auckland. Office, Union Buildings, Customs street, Auckland. *Cable Address, Canadian.*

South Africa

G. R. Stevens, P.O. Box 683. Office, Westminster House, Adderly street, Cape Town. *Cable Address, Cantracom.*

United Kingdom

Harrison Watson, Canadian Building, Trafalgar Square, London, S.W. 1, England. (Territory covers Home Counties, South-Eastern Counties and East Anglia.) *Cable Address, Sleighing, London.*

J. Forsyth Smith, Century Bldgs., 31 North John street, Liverpool. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales.) *Cable Address, Cantracom.*

Douglas S. Cole, Sun Building, Clare street, Bristol. (Territory covers West of England, South Wales and South Midlands.) *Cable Address, Canadian.*

Gordon B. Johnson, 87 Union street, Glasgow, Scotland. (Territory covers Scotland and Northern Ireland.) *Cable Address, Cantracom.*

United States

Frederic Hudd, 44 Whitehall street, New York City. *Cable Address, Cantracom.*

CANADIAN COMMERCIAL AGENT

Australia

B. Millin, The Royal Exchange Building, Sydney, N.S.W.

SPECIAL CANADIAN REPRESENTATIVES

United Kingdom

Lucien Pacaud, Secretary to the Office of the High Commissioner for Canada in London, Canadian Building, Trafalgar Square, London, S.W.1, England. *Cable Address, Dominion.*

France

Philippe Roy, Commissioner General, 17 and 19 Boulevard des Capucines, Paris. *Cable Address, Stadacona, Paris.*

United States

Department of External Affairs of Canada: M. M. Mahoney, representative, care of British Embassy, Washington.

INDEX

TO THE

COMMERCIAL INTELLIGENCE JOURNAL

PUBLISHED BY THE
DEPARTMENT OF TRADE AND COMMERCE
FOR THE

SIX MONTHS ENDING JUNE 26, 1926
(COMMERCIAL INTELLIGENCE JOURNAL Nos. 1144 to 1169)
VOLUME XXXIV

	PAGE		PAGE
A		Argentina—Con.	
Abrasives		Containers (foodstuffs), decree affecting.	386
South Africa, imports.. . . .	339	Cotton-growing in.. . . .	714
Acetate of Lead		Currency: notes on.. . . .	633
Mexico, imports.. . . .	41	Exports to Belgium, 1925.. . . .	623
Acetic Acid		Food products laws.. . . .	787
South Africa, imports.. . . .	367	Foreign trade of, 1925.. . . .	631
Advertising Matter		Frozen meat trade, in 1925.. . . .	463
Newfoundland, duty prepayment.. . .	186	Imports, food products.. . . .	413
Agricultural Credits		iron and manufactures thereof.. . .	413
Mexico.. . . .	590	lumber.. . . .	412
Agricultural Implements and Machinery		machinery.. . . .	409
China, market conditions.. . . .	53	manufactured goods.. . . .	409
Gold Coast Colony, imports, 1924..	177	paper.. . . .	410
Italy, market for.. . . .	497	railway material.. . . .	409
Norway, tariff status of.. . . .	257	tools (edge).. . . .	410
South Africa, imports and demand..	7	Paper, paperboard and cardboard	
United Kingdom, in demand.. . . .	793	classification.. . . .	539
Agriculture		Refrigerators, market in.. . . .	715
Denmark.. . . .	746	Reports of Trade Commissioner E. L.	
Irish Free State, conditions in 1925..	166	McColl, Buenos Aires:	
Peru.. . . .	754	December 3, 1925.. . . .	26
Aluminium		December 7, 1925.. . . .	91
South Africa, imports.. . . .	108	December 24, 1925.. . . .	152
Ammonia (Aqua)		February, 2, 1926.. . . .	376
Mexico, imports.. . . .	41	February 12, 1926.. . . .	409
Aniline Dyes		February 24, 1926.. . . .	441
Mexico, import trade.. . . .	41	April 17, 1926.. . . .	507, 560, 593, 625, 653,
Antimony			680, 717, 754, 788
Mexico, imports.. . . .	41	Reports of D. Forster, Office of the	
Apples		Trade Commissioner:	
Australia, West, spraying of in.. . .	525	March 10, 1926.. . . .	601
Denmark, market for Canadian in..	472	March 15, 1926.. . . .	490
United Kingdom, Ulster's imports, 1924.	138	March 25, 1926.. . . .	539
Apples (Evaporated)		March 29, 1926.. . . .	631
United Kingdom, market in North of		April 17, 1926.. . . .	658
England.. . . .	274	April 23, 1926.. . . .	715
Argentina		May 8, 1926.. . . .	753
Business conditions.. . . .	26, 376, 490, 658, 786	May 12, 1926.. . . .	787
Canadian trade with, 1925.. . . .	633	May 17, 1926.. . . .	786
Canned salmon: packing and labelling.	825	May 24, 1926.. . . .	825
		Samples for.. . . .	601
		Tariff relations with Canada.. . .	184
		Washing machines (domestic) in.. .	753
		Woodpulp market in.. . . .	152

	PAGE		PAGE
Arsenic		Automotives—Con.	
Mexico, import trade..	41	Ceylon, motor bus trade in.. . . .	90
Artificial Silk		statistics..	532
Is it a substitute?..	525	Germany, Canadian shipments.. . . .	303
United States, industry in.. . . .	753	Gold Coast Colony, imports, 1924.. . .	177
Asbestos		Holland, market detailed..	722
South Africa, imports of cement sheets.	338	Mexico, motor trucks market.. . . .	609
Australia		Netherlands East Indies, Sumatra, trade	
Automotives increase..	713	in..	347
Business conditions..	112, 439, 555, 737	New Zealand, certain restricted imports	496
Butter exports to Canada..	555	imports from Canada..	437
Butter production..	148	Peru, market..	629
Frozen meat trade in 1925..	462	Sierra Leone, and accessories.. . . .	11
Gold yield decline..	149	South Africa, import trade, 1924.. . . .	282, 317
Liquid fuel supplies of..	713	motor cycles..	286
New South Wales		tractors..	9
artificial wool: invention..	620	trucks, imports, 1923-24..	285
automotive trade..	319	United States, countervailing duties on	
floating dock at Newcastle..	621	Canadian..	697
forty-four hour week now legal.. . . .	320		
manufactures in..	372	B	
motor show..	148, 372	Bank Drafts	
reports of Commercial Agent B.		Peru..	597
Millin, Sydney:		Banking	
December 17, 1925..	148	Peru..	720
January 14, 1926..	319	Venezuela..	692
February 11, 1926..	372	Barley	
April 8, 1926..	620	Denmark, demand in, for..	775
May 6, 1926..	713	Bathing Suits	
timber imports..	372	Siam, market..	40
trade prospects..	319	Bedsteads	
wheat standard in..	372	South Africa, imports, 1924..	212
wool sales in..	149, 373, 620	Belgium	
Overseas trade of..	81	Business conditions..	287
"Paterson Scheme"..	440	Canadian exports to, 1925..	415
Pulp and paper industry (proposed).. .	674	Foreign trade of, 1925, detailed.. . . .	416, 445
Queensland, cotton production in.. . .	714	Imports from Argentina, 1925.. . . .	623
Reports of C. Hartlett, Office of the		sources of origin..	447
Trade Commissioner, Melbourne:		Reports of Trade Commissioner Yves	
December 1, 1925..	81	Lamontagne, Brussels:	
December 2, 1925..	112	January 15, 1926..	248
February 24, 1926..	438	January 30, 1926..	287
March 16, 1926..	557	February 27, 1926..	415
March 24, 1926..	555	March 6, 1926..	416
April 21, 1926..	674	March 13, 1926..	445
April 20, 1926..	675	April 15, 1926..	623, 660
April 30, 1926..	737	Tariff relations with Canada.. . . .	184
Spool wood import prospects..	675	Trade with Argentina..	447
Sugar production in..	148, 714	Trade with United States..	447, 660
Sugar exports..	620	Belting (Machine)	
Tariff relations with Canada.. . . .	183	Siam, market..	19
Tasmania, osmiridium production in..	372	Belts	
Tenders invited..	60, 187, 259, 314, 387, 498, 572, 636, 731, 763	Siam, market..	40
Timber duties: tariff board report.. . .	81	Beverages	
Victorian Government's electrical		Gold Coast Colony, imports, 1924.. . .	176
scheme..	557	Bicycles	
West, apple spraying in..	525	British West Indies, imports of parts.	466
Wheat harvest..	148	imports, 1924 (and tricycles).. . . .	244
Automotives		Peru, market..	630
Australia, growth of trade..	319, 713	South Africa, imports, 1924..	336
N.S.W., show at Sydney..	148, 372	Bills of Lading	
British West Indies, imports of etc.,		Cuba..	698
1924..	244, 466		
Trinidad, market conditions.. . . .	651		

	PAGE		PAGE
Binders, Reapers, Mowers		British West Indies—Con.	
South Africa, imports.. . . .	8	Jamaica, condensed milk imports.. . .	465
Birch Squares		documentation of shipments to.. . .	728
South Africa, market.. . . .	622	Douglas fir market in.. . . .	333
United Kingdom, market.. . . .	552	economic conditions.. . . .113, 287,	375
Biscuits		refrigerators and kitchen cabinets:	
Gold Coast, imports, 1924.. . . .	176	market.. . . .	785
West Africa, market.. . . .	554	reports of F. L. Casserly, Office	
Bolivia		of the Trade Commissioner,	
Area and population.. . . .	45	Kingston:	
Credit terms in.. . . .	50	December 31, 1925.. . . .	113
Exports and import trade.. . . .	47	January 30, 1926.. . . .	287
Natural resources and industries.. . .	46	February 27, 1926.. . . .	375
Packing and tariff.. . . .	50	reports of Trade Commissioner	
Regional divisions.. . . .	46	P. W. Cook, Kingston:	
Sales methods in.. . . .	49	March 17, 1926.. . . .	465
Bolts, Nuts and Rivets		May 31, 1926.. . . .	785
South Africa, import trade.. . . .	111	reports of Trade Commissioner	
Borax		James Cormack, Kingston:	
Mexico, imports.. . . .	41	December 3, 1925.. . . .	22
Bottles (Glass)		January 26, 1926.. . . .	333
South Africa, imports of, and jars.. . .	337	February 15, 1926.. . . .	318
Box Shooks		Lard and lard compounds, imports,	
South Africa: market.. . . .	457	1924.. . . .	679
Brands		Machinery and tools imports, 1924.. .	439
United Kingdom, importance of in.. .	583	Motor car and truck parts, and	
Brazil		bicycles and tricycles: imports.. .	244
Business conditions..250, 407, 523, 686,	824	Preferential tariffs of.. . . .	617
Codfish market in.. . . .	821	St. Lucia, tariff changes.. . . .	539
Commercial invoices: legalization.. .	418	St. Vincent, molasses: reduction of	
Consular forms their preparation.. . .	666	export tax.. . . .	728
Reports of Trade Commissioner A. S.		Tariff relations with Canada.. . . .	183
Bleakney, Rio de Janeiro:		Trinidad, automotive market condi-	
February 3, 1926.. . . .	407	tions.. . . .	651
March 29, 1926.. . . .	524	commercial conditions.. . . .	745
March 31, 1926.. . . .	523	mailing list for mail order houses..	619
April 30, 1926.. . . .	686	reports of Trade Commissioner H.	
May 14, 1926.. . . .	821	R. Pousette, Port of Spain:	
May 30, 1926.. . . .	824	December 10, 1925.. . . .83,	114
Sardines: market.. . . .	524	March 6, 1926.. . . .402, 403,	404
Brick		reports of Trade Commissioner	
United States, marking on imported..	827	James Cormack, Port of Spain:	
British Guiana. See British West Indies		April 20, 1926.. . . .	651
British Honduras. See British West		May 15, 1926.. . . .	745
Indies		May 25, 1926.. . . .	791
British Malaya		shipping service from Vancouver..	699
Export trade of.. . . .	499	Warning as to dealing with unknown	
British West Indies		firms.. . . .	403
Automotive imports.. . . .	466	Builders' Hardware	
Bahamas, invoicing regulations.. . . .	22	South Africa, import trade.. . . .	112
Bermuda, economic conditions.. . . .	318	Butter	
Bicycle and tricycle parts imports.. .	466	Australia, exports to Canada.. . . .	555
British Guiana, forests of.. . . .	794	production.. . . .	148
tariff relations with Canada.. . . .	183	Gold Coast Colony, imports, 1924.. .	176
British Honduras, surtax.. . . .	603	Peru, market.. . . .	562
tariff changes.. . . .	386	United Kingdom, effect of strike on	
tariff relations with Canada.. . . .	183	prices.. . . .	782
Cattle food imports, etc.. . . .	119	market in Glasgow.. . . .	432
Cotton piece goods, imports, 1924.. .	182	Ulster's imports, 1924.. . . .	138
Economic conditions.. . . .	402	United States, duty increase.. . . .	333
Fish and meat imports, 1924.. . . .	59	market in.. . . .	362
Flour trade of.. . . .83,	114	Buttermilk	
		United Kingdom, inquiry for semi-	
		solid in.. . . .	243

	PAGE		PAGE
C		Catalogues	
Cables		Belgium, for Brussels office.. . . .	215
United Kingdom, Cardiff City		Elimination of waste in distribution..	495
Council's tender.. . . .	520	For Trade Commissioners' offices.. . .	361, 395, 794
Canada		Irish Free State, for Dublin office..139,	219
Assistance that can be given by		United Kingdom, wanted for London..	202
Canadian Trade Commissioners..	695	Cattle	
British Trade Commissioners in..380,	636	United Kingdom, Canadian, in North	
Canadian Manufactures' Association		of England.. . . .	331, 780
export session.. . . .	674	imports.. . . .	279
Corn borer quarantine modifications..	792	Cattle Food	
Exports to United States under three		British West Indies, imports, 1924.. . .	119
tariffs.. .150, 270, 370, 546, 642,	802	Caustic Potash	
Frozen meat trade in 1925.. . . .	463	Mexico, imports.. . . .	42
Monthly report of trade: publication.	545, 641	Caustic Soda	
Newsprint production.. . . .	679	Mexico, imports.. . . .	42
Nursery stock: memorandum.. . . .	149	South Africa, imports.. . . .	367
Pacific Coast—East Coast South		Cement	
America service.. . . .	153	British West Indies, imports, 1924..	119
Representatives travelling abroad.. .	538	Cuba, building in.. . . .	355
Rubber goods exports.. . . .	514	Gold Coast, imports, 1924.. . . .	177
Shipping service with Cuba.. . . .	97, 161	Peru, imports.. . . .	681
Summary of trade by months.. . . .	12, 162, 315, 396, 580,	South Africa, dumping duty on	
Tariff changes, 1926-27.. . . .	533	Canadian removed.. . . .	728
Tariff relations with other countries..	183	imports.. . . .	337
Tenders for steamship service with		Ceylon	
West Indies.. . . .	226, 290	Automotives in.. . . .	532
Trade Commissioner E. L. McColl's		Motor bus trade in.. . . .	90
visit and itinerary.. . . .	539, 673,	Tea trade of 1925.. . . .	688
Trade Commissioner A. B. Muddiman's		Chains (Hauling)	
itinerary.. . . .	393	South Africa, imports, 1924.. . . .	210
Trade Commissioner H. R. Poussette's		Chairs (Bentwood)	
business tour of.. . . .	581	South Africa, duty.. . . .	496
Trade Commissioner J. Forsyth Smith's		Cheese	
itinerary.. . . .	802	Denmark, imports.. . . .	810
Trade with United States (graph).. .	86	Gold Coast, imports, 1924.. . . .	176
Translators: compilation of list.. .	674	Peru, market.. . . .	562
Transmission of letters and parcels		United Kingdom, market in Glasgow..	433
to Trade Commissioners.. . . .	820	prices: effect of strike on.. . . .	782
Vancouver—Trinidad shipping service.	699	Ulster's imports, 1924.. . . .	138
Wheat imports increase.. . . .	121	Chemicals	
Candles		Netherlands East Indies, Sumatra,	
South Africa, imports of and tallow..	339	import trade in.. . . .	348
Canned Fruits		South Africa, drugs and fertilizers,	
Denmark, trade.. . . .	809	imports.. . . .	367
Cuba, import conditions.. . . .	354	Chile	
Canned Goods		Conditions in market of.. . . .	441, 572
Netherlands East Indies, Sumatra,		Economic situation in.. . . .	91
import trade.. . . .	348	Foreign trade of.. . . .	443
United Kingdom, imports.. . . .	280	Oil production in.. . . .	730
Canned Lobsters		Percentages of various sources of	
Denmark, trade in.. . . .	807	supply in.. . . .	443
Canned Salmon		Valparaiso's rival port.. . . .	730
Argentina, labelling and packing.. .	825	China	
Denmark, trade in, and mild cured..	808	Automotive trade in.. . . .	322
Japan, industry.. . . .	251	Business conditions in.. . . .	22, 253, 378, 492, 760
Calcium Carbide		Douglas fir market in.. . . .	791
Cuba, import trade in.. . . .	355	Leather (sole) market in.. . . .	216
Mexico, import trade.. . . .	41	Machinery: market in.. . . .	52
South Africa, imports.. . . .	367		
Carbonate of Soda, Etc.			
Mexico, imports.. . . .	42		

	PAGE		PAGE
China—Con.		Copper	
Paper requirements of..	254	Peru, mining in..	759
Reports of Trade Commissioner L. M. Cosgrave, Shanghai:		Corks (Crown)	
November 27, 1925..	22	South Africa, imports, 1924..	212
November 26, 1925..	52	Corn Borer	
December 2, 1925..	88	Canada, modification of quarantines..	792
December 22, 1925..	154	Cotton	
January 4, 1926..	253	Argentina, growing in..	714
January 12, 1926..	216	Australia, production in..	714
January 14, 1926..	254	Kenya Colony, market for goods..	559
January 26, 1926..	322	Peru, cultivation..	755
February 11, 1926..	378	World crop of..	60
February 19, 1926..	379	Cow Hair	
March 6, 1926..	473	Holland, market for in..	417
March 18, 1926..	492	Crab (Canned)	
March 18, 1926..	492, 493	Japan, industry..	252
May 10, 1926..	760	Cream of Tartar	
May 15, 1926..	804	Mexico, imports..	43
May 25, 1926..	791	Cream Separators	
May 27, 1926..	807	South Africa, import trade..	7
Sales methods for machinery.. . . .	54	Cuba	
Shanghai: new office premises in..	259	Bills of lading for..	698
Trade Commissioner to go on tour	361, 419	Canadian exports to, in various lines..	353
Trade marks in..	154, 290	Commercial conditions in..	497
Wheat and flour situation in..	379, 473, 493	Condensed milk regulations.. . . .	666
Wheat crop prospects..	807	Customs regulations when ad valorem duties involved..	697
China Clay		Patent medicines: market..	289
Mexico, import trade..	42	Shipping service (new) to..	388
Chlorides		Steamship service between Canada and	97
Mexico, import trade..	42	Currency	
Coal		Argentina, notes on..	633
Holland, trade of..	72	Peru..	717
domestic consumption increases..	188	Venezuela..	692
United Kingdom, conditions in Wales..	520	Cyanides	
Codfish		Mexico, imports..	43
Brazil, market for in..	821	South Africa, imports..	367
French West Indies, imports of..	405	Cyprus	
Peru, market..	563	Foreign trade of in 1925..	698
Cod Liver Oil		Preferential tariff of..	618
Newfoundland, production.. . . .	558	Tariff relations with Canada.. . . .	183
Coffee		Czecho-Slovakia	
Peru, cultivation..	757	Exports of..	516
Colombia		Flour and grain, certificates of origin..	570
Tariff relations with Canada.. . . .	184	Glass industry in..	494
Travellers' regulations..	256	Grain and flour certificates of origin..	665
Commercial Travellers		Industrial development in 1925.. . .	729
Colombia, regulations..	256	Wheat and flour duties..	419, 726
Denmark, regulations..	751		
United Kingdom, samples (dutiable) regulations..	384		
Condensed Milk			
British West Indies, Jamaica, importation..	465		
Cuba, imports from Canada.. . . .	354		
regulations..	666		
Gold Coast Colony, imports, 1924..	176		
Confectionery			
Gold Coast Colony, imports, 1924..	176		
New Zealand, Canadian trade in..	436		
United Kingdom, market for in..	68		
Containers			
Argentina, foodstuffs, decree affecting	386		

	PAGE		PAGE
Denmark—Con.		Exhibitions and Fairs	
Fish imports..	807	Belgium, commercial fair in Brussels..	82
Fisheries of..	747	France, Paris Fair..	762
Foreign trade of..	707	Germany, Leipzig Spring Fair results..	414
Foxes, conditions of import.. . . .	571	Holland, Utrecht Fair..	567
Fruit imports..	809	Italy, Forestry Products in Milan.. . .	451
Grain and milled products, imports..	773	Milan Sample Fair..	290
Honey imports..	809	Russia, Caucasian Agricultural Exposi-	
Manufacturing industries..	748	tion..	219
Natural resources..	709	Switzerland, Basle Fair..	247
Oats and barley requirements.. . . .	775	United Kingdom, British Industries	
Packing-house products imports.. . .	810	Fair..	333, 363, 813
Population and its distribution..	705, 710		
Provisions: import trade..	807	F	
Shipping communications..	709	Federated Malay States	
Tariff and customs regulations.. .	184, 751	Wood distillation plant in..	440
Transit trade of Copenhagen.. . . .	708	Feeding Stuffs	
Wheat and flour trade..	774	United Kingdom, Ulster's imports, 1924..	137
Documentation		Fencing	
See under Tariffs..	594	South Africa, import trade in.. . . .	143
Doors		Fertilizers	
Peru, market possibility..	654	Mexico, imports..	43
Douglas Fir		South Africa, imports..	369
British West Indies, Jamaica, market..	333	Fiji	
China, market in..	791	Preferential tariff of..	618
French West Indies, imports of.. . .	404	Tariff relations with Canada.. . . .	183
Peru, market..	653	Finland	
Dried Fruits		Tariff relations with Canada.. . . .	184
Denmark, trade in..	809	Firearms	
Drugs		South Africa, imports, 1924.. . . .	212
Mexico, market for and druggists'		Fish	
sundries..	526	British West Indies, and meat imports,	
Germany, shipments from Canada..	302	1924..	59
Dyestuffs		Cuba, Canada's trade in..	354
Japan, importation..	570	Denmark, fisheries of..	747
E		Germany, Canadian shipments of	
East Africa (British)		products..	302
Trade of in 1924..	74	New Zealand, Canadian shipments..	436
Eggs		Denmark, trade in canned and frozen	
United Kingdom, market in North of			808, 809
England..	519	Flax	
Northern Ireland, marketing.. . . .	621	United Kingdom, Northern Ireland,	
Electrical Goods		prices..	738
New Zealand, increase in Canadian		Flax Tow	
imports..	437	United States, market conditions.. . .	407
Electricity		Flour	
Australia, Victorian Government's		British West Indies, British Guiana,	
electrical scheme..	557	trade of..	83, 114
Palestine, development in..	488	Canada, exports: comparison with	
Peru, development in..	788	United States..	457
Enamelled Ware		China, market..	379, 473, 493
South Africa, imports, 1924.. . . .	211	Cuba, imports from Canada.. . . .	354
Engines (Farm)		Czecho-Slovakia, certificates of origin.	
South Africa, imports..	10		570, 665
Excelsior		duty..	419, 728
United Kingdom, opening for in.. . .	220	French Indo-China, openings.. . . .	14
Exchange		French West Indies, import trade in.	
Peru..	720		404, 556
		Germany, Canada's trade in.. . . .	299
		Greece, chemical restriction removal..	187
		duties, etc..	124, 476, 477
		tariff and regulations..	665

	PAGE		PAGE
Flour—Con.		Frozen Meat	
New Zealand, import regulations..	91	United Kingdom, Weddel's review..	401
Peru, wheat and: market..	510	Fur	
South Africa, tariff..	476	France: industry..	624
United Kingdom, imports..	228	Furniture	
market in West of England..	311	Peru, imports..	682
shippers' report..	520		
Ulster's imports, 1924..	137		
Food Products		G	
Argentina, imports of..	413	Gelatine	
laws regarding..	787	Mexico, imports..	43
East Africa, import trade in..	77	Germany	
Gold Coast, imports, 1924..	176	Business conditions..	139, 297, 352, 413, 587
Netherlands East Indies, Sumatra,		Canada's expanding trade with..	299
imports..	350	Commercial agreement with Switzer-	
Peru, market..	561	land..	55
United Kingdom, Liverpool imports of..	816	Conventional duties with Italy..	55
Scottish and Northern Ireland regu-		Dairy products (Canadian) exports..	300
lations..	521	Drugs (crude) imports..	302
Footwear		Export bounties and their effect..	771
Germany, trade in rubber..	37	Export trade development..	141
Gold Coast, imports, 1924..	177	Fish products (Canadian) imports..	302
Siam, market for rubber shoes..	40	Flour trade in..	299
South Africa, market..	426	Flour (Canadian) exports to..	299
Forests		Forest products (Canadian) imports..	302
British West Indies, British Guiana..	794	Fox-farming in..	588
Foxes		Fruit (Canadian) shipments to..	301
Denmark, import conditions..	571	Grain and rye trade: Canada's ship-	
France, breeding in..	664	ments..	300
Germany, market in..	588	Grain duties (new)..	769
France		Grain trade of..	300, 447
Business conditions..	245, 381, 589, 687	Hamburg, change of address of office..	225
Fox breeding in..	664	Honey imports..	301
Fur industry of..	624	Imports from Canada, 1925..	384
Graphite: market for in..	260	Import trade of, 1925..	382
Imports from Canada, 1925..	247, 381	Leipzig Spring Fair: results..	414
Paris Fair..	762	Lumber market in..	213, 489
Pulp and paper market in..	70	Meats: market in..	74
Reports of Trade Commissioner		supply of..	470
Hereule Barré, Paris:		Minerals: imports from Canada..	303
December 14, 1925..	70	Packing house (Canadian) imports..	301
January 2, 1926..	170	Reports of Trade Commissioner L. D.	
January 5, 1926..	245	Wilgress, Hamburg:	
February 26, 1926..	380	December 10, 1925..	33
April 8, 1926..	664	December 15, 1925..	55
April 10, 1926..	589	December 16, 1925..	74
April 18, 1926..	624	December 28, 1925..	139
May 10, 1926..	687	January 15, 1926..	213, 297
May 22, 1926..	762	February 6, 1926..	352
Shipping, 1925..	273	February 9, 1926..	382
Sitka spruce in..	170	February 10, 1926..	342
Tariff increase..	497, 603	March 2, 1926..	419
Tariff relations with Canada..	183	March 6, 1926..	413
Freezers (Ice Cream)		March 8, 1926..	414
United Kingdom, market..	330	March 10, 1926..	447
French Indo-China		March 20, 1926..	489
Canadian trade with, 1925..	373	March 23, 1926..	705, 746
French West Indies		March 24, 1926..	470
Douglas fir shipments..	404	March 25, 1926..	489
Fish trade in..	405	April 13, 1926..	588
Flour, imports..	404, 556	April 15, 1926..	587, 773
Imports and exports, 1925..	405	April 28, 1926..	665
Packing house products: trade..	405	May 15, 1926..	807
Trade figures..	405	May 25, 1926..	769
		Rubber footwear in..	37
		goods: market..	33
		goods tariff..	34
		industry in..	34

	PAGE		PAGE
Germany—Con.		Holland	
Seeds (Canadian) imports..	302	Automotives in..	722
Shipping, 1925..	273	Coal, domestic consumption increase..	188
Taxation in..	142	trade of..	72
of foreign firms in..	489	Cow hair: market in..	417
Tire imports and exports..	36	Crop conditions..	694
Glass		Economic conditions in..	51, 320, 449, 566, 776
Czecho-Slovakia, industry in..	494	Foreign trade statistics..	52
Siam, import trade..	18	Honey: market in..	99
South Africa, imports of window..	338	Paper industry in..	101
Glucose		Reports of Trade Commissioner	
Mexico, imports..	43	Frederick H. Palmer, Rotterdam:	
Glycerine		December 9, 1925..	51
Mexico, import trade..	43	December 14, 1925..	72, 101
Gold		December 17, 1925..	99
Australia, declining yield..	149	January 20, 1926..	291
United States, production, 1925..	121	February 11, 1926..	320
Gold Coast		March 11, 1926..	449
Trade of in 1924..	174	April 12, 1926..	567
Grain		April 14, 1926..	567
Czecho-Slovakia, certificates of origin..	665	April 17, 1926..	722
Denmark, import trade..	773	May 28, 1926..	776
Germany, Canada's shipments..	300	Shipping, 1925..	273
duties..	769	Tariff relations with Canada..	184
Government policy and trade..	769	Utrecht Fair..	567
United Kingdom, and handling facilities in Bristol Channel ports..	741, 783	Honey	
Newcastle's trade in..	67	Denmark, imports of..	809
Ulster's imports, 1924..	137	Germany, import trade in..	301
Graphite		Holland, market for in..	99
France, market for in..	260	Hong Kong	
Greece		Anti-British boycott..	805
Flour: chemical restrictions removal..	187	Area and population..	804
import tariff and regulations..	187, 476, 477, 665	Canadian trade with: present status..	806
Industrial development..	622	Customs duties..	805
Tariff (conventional) of..	497	Trade of..	804
Guatemala		Horse Shoes	
Purchasing power of..	794	South Africa, imports, 1924..	209
H		Horses	
Haiti		United Kingdom, imports..	279
Draft new customs tariff..	92	Hosiery	
Hardware		Siam, market for cotton..	40
Netherlands East Indies, Sumatra..	352	Hydrochloric Acid	
Peru, market..	626	Mexico, import trade..	43
Hay		I	
Cuba, market in..	355	India	
United Kingdom, Canadian shipments to Glasgow: a warning..	259	Conditions in..	419
trade and prices in South Wales..	431	Indo-China	
United States, marketing of Canadian in..	644	Flour and other openings..	14
Hats, Caps, Etc.		French, sheltered market..	13
Siam, market..	40	Shipping methods in..	13
Hogs		Tariff conditions..	14
United Kingdom, shipment of live to Birkenhead..	432	Trade divisions in..	15
		Industrial Chemicals	
		Mexico, details of demand in specific products..	40
		Infusorial Earth	
		United Kingdom, market in North of England..	309

	PAGE		PAGE
Insecticides		Japan—Con.	
South Africa, imports..	368	Tariff relations with Canada.. . . .	185
Irish Free State		Trade with Canada, 1925.. . . .	598
Agriculture in, 1925..	166	Wheat duty: proposed revision.. . . .	356
Business conditions..	134	imports increase..	569
Catalogues for Dublin office.. . . .	219	production in..	356
Oatmeal: duty..	635		
Reports of Acting Trade Commissioner		K	
A. F. MacEachern, Dublin:		Kenya Colony	
December 28, 1925..	185	Building programme of government..	522
December 31, 1925..	134	Cotton goods market in..	559
Tariff relations with Canada.. . . .	183	Trade of in 1925..	441
Trade of, January-September, 1925..	185	Kitchen Cabinets	
Wireless sets, duty..	635	British West Indies, Jamaica, market.	785
Iron and Manufactures		Kraft Paper	
Argentina, imports..	413	United Kingdom, trade in West of	
Iron and Steel		England..	198
China, growing market for in.. . . .	88		
Peru, imports of in..	680	L	
South Africa, imports..	108	Labelling	
Italy		New Zealand, foodstuffs..	257
Conventional duties: treaty with		Labour	
Germany..	55	New Zealand, laws of..	622
Economic conditions..	451	Lamps	
Forest Products Exhibition in Milan..	451	Gold Coast, imports, 1924..	178
Industries and foreign trade, 1925.. .	722	South Africa, electrical, imports.. .	147
Milan Sample Fair..	290	imports of and lanterns, 1924.. . .	211
Newsprint duty increased..	497	Lard	
Reports of Acting Trade Commissioner		British West Indies, and lard com-	
Jean J. Guay, Milan:		pounds, 1924: table..	679
April 30, 1926..	665	Peru, market..	561
May 18, 1926..	722	United Kingdom, market in.. . . .	779
Shipping, 1925..	273	Latch Needles	
Sugar duties (new)..	386	United Kingdom, trade in the	
Tariff relations with Canada.. . . .	184	Midlands..	739
		Leather	
J		China, market for sole in..	216
Jamaica. See British West Indies		Netherlands East Indies, Sumatra,	
Japan		imports..	352
Anti-dumping law in..	570	Siam, imports of and manufactures..	19
Canned crab and salmon industry.. .	251	United Kingdom, market in.. . . .	548
Dyestuffs importation..	570	Letters of Credit	
Economic conditions..	23, 579	Peru..	597
Foreign trade in 1925..	289, 598	Licenses	
Imports in anticipation of tariff		South Africa, consolidation of in.. .	57
revision..	568	Lighting Plants	
Lumber imports decline..	568	South Africa, imports..	147
"Lumber Market of"..	505, 667	Live Stock	
Pulp and paper trade of..	482	Irish Free State, industry..	167
Reports of Trade Commissioner		Locomotives	
James A. Langley, Kobe:		South Africa, import trade.. . . .	180
December 8, 1925..	23	Lumber	
December 23, 1925..	251	Argentina, imports..	412
February 12, 1926..	356	Cuba, import trade..	355
March 10, 1926..	482	Germany, market in..	213, 489
March 15, 1926..	598	Japan, imports decline..	568
March 18, 1926..	568	"Lumber Market of Japan".. . . .	505
March 20, 1926..	568	New Zealand, imports from Canada of,	
March 27, 1926..	570	etc..	437
March 28, 1926..	569	Peru, market..	653
March 31, 1926..	599	United States, duty on sanded products.	123
May, 19, 1926..	761	See also Timber.	
Rubber industry of..	761		
Shipping, 1925..	273		

M	PAGE	Motor Trucks	PAGE
Machinery		<i>See under Automobiles.</i>	
Argentina, imports..	409	Musical Instruments	
British West Indies, imports of 1924..	489	New Zealand, Canadian trade in.. . .	437
China, market for in..	52	Peru, imports..	682
Gold Coast Colony, imports, 1924.. . .	178		
Peru, market..	627	N	
South Africa, import trade..	107	Nails	
Marking		South Africa, imports..	111
United Kingdom, Merchandise Marks		Netherlands East Indies	
Act: proposed revision..	400	Canadian trade with, 1925..	373
Matches		Economic situation in..	251
Siam, import sources..	19	Invoicing of goods..	763
Mauritius		Java, office opened in..	225
Preferential tariff of..	619	Reports of Trade Commissioner A. B.	
Tariff relations with Canada..	183	Muddiman:	
Meats		November 12, 1925..	18, 38
Germany, market..	74	December 23, 1925..	251
supply of in..	470	January 16, 1926..	265, 347
Gold Coast Colony, imports of pickled		Sumatra, area and population..	266
and salted..	177	automotive imports..	347
South Africa, imports..	59	canned goods trade..	348, 350
United Kingdom, embargo on importa-		chemicals: imports..	348
tion of carcasses..	778	commercial divisions of..	266
Ulster's imports, 1924..	138	condensed milk trade..	350
Medicines		foodstuffs imports..	350
Siam, import trade..	19	imports, subsidiary..	351
Mexico		native demands and estate supplies	
Agricultural credits in..	591	in..	268
Business conditions in..	375, 532, 652, 826	ports of..	267
Drugs and druggists' sundries market..	525	railway materials imports..	351
Industrial chemicals: details of demand..	40	representation in..	352
Industrial chemicals: market..	16	scope of market..	268
Motor trucks market..	609	Newfoundland	
Reports of Trade Commissioner C.		Advertising matters: duty prepayment..	186
Noel Wilde, Mexico City:		Cod liver oil production..	558
December 6, 1925..	16, 40	Paper industry..	558
March 1, 1926..	375	Newsprint	
March 5, 1926..	564	Canada, production..	679
March 23, 1926..	526	Cuba, market..	355
March 31, 1926..	532	Italy, increased duty..	497
April 10, 1926..	590	South Africa, supplies in..	678
April 16, 1926..	609	United States, production..	679
May 1, 1926..	652	New Zealand	
June 1, 1926..	826	Automotives: restricted import..	496
Representation: industrial chemicals..	16	Canadian trade with: notes on imports..	435
Tariff changes..	571, 763	Customs regulations..	156
Telegraphic communication with.. . .	569	Dairy Board of..	438
Tenders invited..	92, 764	Flour import regulations..	92
Wheat, Canadian, in..	564	Frozen meat trade in 1925..	462
Milk (Tinned)		Imports from Canada, January-March,	
Peru, import..	562	1925..	730
Milled Products		Labelling of foodstuffs in..	257
Denmark, imports..	773	Labour laws of..	622
Minerals		Preference conditions in..	257, 418
Germany, Canadian exports to.. . . .	303	Reports of Assistant Trade Commis-	
Peru..	757	sioner J. Neill, Auckland:	
Molasses		December 30, 1925..	218
British West Indies, St. Vincent,		February 26, 1926..	452
reduction of export tax..	728	March 15, 1926..	496
Motor Cycles		Reports of Trade Commissioner C. M.	
<i>See under Automobiles.</i>		Croft, Auckland:	
Motor Spirit		December 11, 1925..	123
South Africa, imports..	318	December 29, 1925..	206
		February 1, 1926..	314
		February, 24, 1926..	435
		"Sardine" importation decision.. . . .	123

	PAGE		PAGE
New Zealand—Con.		Paper—Con.	
Tariff relations with Canada.. . . .	183	France, and pulp market.. . . .	70
Tenders invited..60, 124, 188, 387, 498, 572, 636, 699,	763	Gold Coast Colony, imports, 1924.. . .	178
Trade of, 1925.. . . .	206, 435	Holland, industry in.. . . .	101
Trade with Canada and tariff prefer- ences: table.. . . .	487	Japan, and pulp trade of.. . . .	482
Wheat import duty.. . . .	452	Newfoundland, statistics of industry..	558
import conditions.. . . .	314	New Zealand, Canadian trade in.. . .	437
Witnessing customs forms.. . . .	571	Peru, market.. . . .	657
Norway		Siam, import openings and specifica- tions.. . . .	20
Agricultural implements: tariff status.	257	United Kingdom, imports in Bristol area.. . . .	163
Parcel post: direct exchange.. . . .	727	kraft and wrapping trade of West of England.. . . .	198
Pork export to be organized.. . . .	667	United States, trade in pulp and.. . .	468
Tariff relations with Canada.. . . .	184	Patent Medicines	
Nursery Stock		Cuba, market in.. . . .	289
Canada, memorandum on.. . . .	149	Perfumery	
Nyasaland		Siam, import trade.. . . .	21
Trade of in 1925.. . . .	827	South Africa, imports.. . . .	369
O		Peru	
Oatmeal		Agriculture in.. . . .	754
Irish Free State, duty.. . . .	635	American enterprise in.. . . .	789
United Kingdom, imports	229	Bank drafts and letters of credit.. . .	597
Ulster's imports, 1924.. . . .	137	Banking in.. . . .	720
Oats		Budget of.. . . .	718
British West Indies, imports, 1924.. . .	119	Canadian opportunities in.. . . .	56
Denmark, demand in for.. . . .	775	Canadian trade with.. . . .	56
New Zealand, Canadian shipments.. . .	436	Cement imports.. . . .	681
Oilcake		Climate and population.. . . .	508
Denmark, trade in.. . . .	776	Coffee-growing in.. . . .	757
Oilcloth		Consular regulations.. . . .	762
Siam, imports.. . . .	20	Copper mining in.. . . .	759
Oil		Cotton cultivation in.. . . .	755
Australia, possibilities in.. . . .	713	Currency.. . . .	717
Chile, production in.. . . .	730	Dairy products, market.. . . .	561
South Africa, imports.. . . .	340, 341	Documentation in.. . . .	594
Onions		Electric light in.. . . .	788
Cuba, import trade conditions.. . . .	354	Exchange in.. . . .	720
New Zealand, imports from Canada, 1925.. . . .	437	Exports to Canada from.. . . .	683
Osmiridium		Fish, market in.. . . .	562
Australia, Tasmania, production in.. .	372	Food products: market.. . . .	561
P		Forest resources of.. . . .	656
Packing-House Products		Foreign trade statistics.. . . .	507, 509
Denmark, imports.. . . .	810	Fruits, market in.. . . .	563
French West Indies, imports of.. . . .	405	Imports, January-June, 1925	57
Germany, Canadian shipments to.. . . .	302	from Canada.. . . .	683
West Africa, inquiries for from.. . . .	215	Iron and steel: imports	680
Paints and Varnishes		Lumber market in.. . . .	653
Gold Coast Colony, imports, 1924.. . .	178	Machinery: market.. . . .	627
Peru, imports.. . . .	682	Mining in	757
South Africa, imports.. . . .	341	Miscellaneous food products: market..	563
Palestine		Miscellaneous imports.. . . .	682
Electrical development in.. . . .	488	Paper market in.. . . .	657
Paper		Peculiarities of the market.. . . .	682
Argentina, classification of paperboard and cardboard.. . . .	539	Physical geography.. . . .	507
imports.. . . .	410	Production in.. . . .	508
Australia, proposed pulp and industry.	674	Purchasing capacity of.. . . .	580
China, requirements in.. . . .	254	Railways in.. . . .	759
		Representation in.. . . .	684
		Rice growing in.. . . .	757
		Sugar cultivation in.. . . .	757
		Tariff, shipping, documents, etc.. . . .	593
		Tools and hardware: market.. . . .	625
		Vehicles: market.. . . .	629
		Wheat and flour market in.. . . .	510

	PAGE		PAGE
Petroleum		Representation	
Peru, production.. . . .	757	Canadian representatives abroad.. . .	538
Picks and Hoes		Difficulties of an agent.. . . .	634
South Africa, imports.. . . .	8	Mexico, motor trucks.. . . .	612
Piece Goods		Netherlands East Indies, Sumatra.. .	352
British West Indies, imports of cotton, 1924.. . . .	182	Peru.. . . .	684
Siam, market.. . . .	39	South Africa, suggested conditions of contract.. . . .	577
Pipe Fittings		United Kingdom, agencies in.. . . .	464
South Africa, import trade.. . . .	109, 110	Venezuela.. . . .	692
Pit Props		Rhodesia	
United Kingdom, market in Scotland..	464	Preferential tariff of.. . . .	617
Ploughs		Rice	
South Africa, imports.. . . .	8	Peru, cultivation.. . . .	757
Pork		Rubber Goods	
Norway, export organization.. . . .	667	Canada, trade in.. . . .	512
Portuguese East Africa		Germany, industry in.. . . .	34
Terms of payment in.. . . .	580	imports and exports.. . . .	36
Postal Services		market for in.. . . .	33
Canada's reduction in letter postage..	928	tariff.. . . .	34
Norway, direct exchange of parcel.. .	727	Japan, industry in.. . . .	761
Potatoes		South Africa, market for footwear..	428
Cuba, imports from Canada.. . . .	353	United Kingdom, imports.. . . .	282
Poultry		Russia	
United States, exchange in New York..	753	Caucasian Agricultural Exposition.. .	219
Prices		Dairying (winter) in Siberia.. . . .	572
United Kingdom, course of in 1925.. .	196	Economic conditions during 1925.. .	342
Provisions		Tariff relations with Canada.. . . .	184
Denmark, trade.. . . .	807	Rye	
United Kingdom, trade in Newcastle..	67	Germany, Canada's trade in.. . . .	300
Pulp		price stabilization.. . . .	771
Argentina, market.. . . .	152	S	
Australia, and paper industry (pro- posed).. . . .	674	Salmon	
France, and paper market.. . . .	70	Denmark, trade in canned and mild cured.. . . .	808
Japan, and paper trade of.. . . .	482	Japan (canned), industry.. . . .	251
United Kingdom, trade of Bristol area. trade of Northern Ireland.. . . .	163 168	Samples	
United States, trade in and paper.. .	468	Argentina.. . . .	601
Pulp Board		British West Indies, warning as to sending of samples to.. . . .	403
United Kingdom, trade in West of England.. . . .	200	Mexico, necessary in industrial chemicals trade.. . . .	17
R		Peru, market.. . . .	563
Radio Sets		South Africa, carried free.. . . .	506
United Kingdom, West of England market.. . . .	98	Sardines	
Railway Materials		Brazil, market.. . . .	524
Argentina, imports.. . . .	409	New Zealand, decision as to term..	123
Netherlands East Indies, Sumatra, import trade.. . . .	351	Peru, market.. . . .	563
South Africa, import trade.. . . .	178, 180	Screws and Washers	
Railway Ties (Sleepers)		South Africa, import trade.. . . .	111
Peru, market.. . . .	655	Seeds	
South Africa, import trade.. . . .	179	Germany, imports from Canada.. . .	302
Railways		Sheep	
Peru.. . . .	759	United States, term includes lambs in tariff.. . . .	635
Refrigerators		Seeds	
Argentina, market.. . . .	715	United Kingdom, Ulster's imports of..	168
British West Indies, Jamaica, market..	785	Sheets	
		South Africa, import trade in galvan- ized and tinned.. . . .	110

	PAGE		PAGE
Shipping		South Africa—Con.	
Canada, new to Cuba.....	388	Imports—Con.	
Pacific Coast-East Coast South America service.....	153	asbestos cement sheets.....	338
service with Cuba.....	161	automotive equipment.....	283
tenders for steamship service.....	290	automotive parts and accessories.....	316
Trinidad from Vancouver.....	699	bedsteads.....	212
Great Britain, 1925.....	273	bicycles and tricycles.....	336
World's mercantile in 1925: details..	272	bolts, nuts and rivets.....	111
Shovels		bottles (glass) and jars.....	337
South Africa, import trade..	181	builders' hardware.....	112
Siam		candles and tallow.....	339
Belting (machine) market.....	19	carbide.....	367
Canadian trade with, 1925.....	373	caustic soda.....	367
Economic situation in.....	251	cement.....	337
Glass import trade.....	19	chains, hauling.....	210
Leather and leather manufactures opening.....	19	crown corks.....	212
Machine belting: market.....	19	cyanide.....	367
Matches, market conditions.....	19	drugs.....	369
Medicines: market.....	19	electrical material.....	145
Oil cloth, etc.: imports.....	20	enamelled ware.....	211
Paper trade in, with specifications..	20	fencing imports, 1924.....	143
Perfumery and cosmetics: import trade.	21	fertilizers.....	369
Rubber shoes: market.....	40	firearms.....	212
Soap, import trade.....	21	food colourings.....	368
Stationery: import conditions.....	21	heating and cooking apparatus, etc. (electrical).....	145
Textiles: market for.....	38	horse shoes.....	209
Tobacco import trade.....	21	insecticides.....	368
Umbrellas: imports.....	21	iron and steel.....	108
Sierra Leone		lamps and globes (electrical).....	147
Automotives and parts: duty.....	11	lamps and lampware.....	211
Silver		lighting plants (electrical).....	147
United States, production, 1925.....	121	locomotives.....	180
Singles		machinery (mining).....	107
Siam, market for.....	39	machinery and tools.....	143, 178
Sitka Spruce		mechanics' tools.....	181
France, trade in.....	170	meters.....	146
Holland, market for.....	291	motor spirit.....	318
United Kingdom, inquiry for in.....	649	nails.....	111
Soap		oils, paints and varnishes.....	340
Siam, import conditions.....	21	perfumery and toilet preparations..	369
South Africa, imports, 1924.....	342	pharmaceutical specifics.....	368
South Africa		pipes and piping.....	109
Agricultural implements and machinery: imports.....	7	pipe fittings.....	110
Bentwood chairs duty.....	496	railway materials.....	178
Birch squares: market.....	622	railway materials.....	178, 180
Box shooks: market.....	457	screws and washers.....	111
Business conditions.....	173, 401, 460, 820	sheets (galvanized and tinned).....	110
Cement: dumping duty on Canadian removed.....	728	shovels.....	181
Containers under Weights and Measures Act.....	123	sleepers.....	179
Customs duty exemptions.....	496	soaps.....	342
Customs forms modifications.....	23	stoves, ranges and parts.....	210
Electrical material and supplies, imports.....	145	steel (drill).....	109
Electrical supply undertakings.....	487	tires and accessories.....	316
Heating and cooking apparatus imports.	145	white lead and oil.....	341
Imports, abrasives.....	339	window glass.....	338
acetic acid.....	367	Licenses consolidation in.....	57
aluminum.....	109	Newsprint supplies in.....	678
antifriction greases.....	340	Paper market.....	553
		Preferences on Canadian goods.....	218
		Reports of Trade Commissioner G. R. Stevens, Cape Town:	
		July 31, 1925.....	7, 107, 143, 178, 209, 282, 316, 337, 366
		December 4, 1925.....	74
		December 11, 1925.....	106, 173
		December 24, 1925.....	174

	PAGE		PAGE
South Africa—Con.		Sweden	
Reports of Trade Commissioner G. R. Stevens, Cape Town—Con.		Imports and exports, 1925.. . . .	685
February 12, 1926.. . . .	401	Tariff relations with Canada.. . . .	184
February 19, 1926.. . . .	426	Switzerland	
March 1, 1926.. . . .	460	Basle Fair.. . . .	247
March 11, 1926.. . . .	457	Commercial agreement with.. . . .	55
March 19, 1926.. . . .	522	Industrial census of.. . . .	752
March 23, 1926.. . . .	553	Tariff relations with Canada.. . . .	185
March 26, 1926.. . . .	577		
March 31, 1926.. . . .	580	T	
April 22, 1926.. . . .	678	Tale	
May 15, 1926.. . . .	820	Peru, imports.. . . .	682
Report of Assistant Trade Commissioner R. S. O'Meara, Cape Town:		Tanganyika	
November 21, 1925.. . . .	57	Market openings in.. . . .	729
Representation: suggested conditions of contract.. . . .	577	Tariffs and Customs Regulations	
Samples carried free.. . . .	506	Argentina, canned salmon labelling and packing.. . . .	825
Tariff relations with Canada.. . . .	183	foodstuffs containers.. . . .	386
Trade trend, Jan-June, 1925.. . . .	106	Belgium, relations with Canada.. . . .	184
Wheat and flour tariff.. . . .	476	Bolivia.. . . .	50
Spool Wood		Brazil, consular forms, their preparation.. . . .	666
Australia, prospects for in.. . . .	675	legalization of commercial invoices.. . . .	418
United Kingdom, market for.. . . .	552	British West Indies, Bahamas, invoicing regulations.. . . .	22
Sprayers and Sprinklers		British Honduras, change.. . . .	387
South Africa, imports.. . . .	8	surtax.. . . .	603
Starch		Jamaica, documentation of shipments to.. . . .	728
Mexico, import trade.. . . .	44	Preferential of.. . . .	617
Stationery		St. Lucia, changes.. . . .	539
Siam, import trade.. . . .	21	St. Vincent, reduction of export tax.. . . .	728
Steel		Canada, changes, 1926-27.. . . .	533
Peru, and iron imports.. . . .	680	relations between and certain countries.. . . .	183, 618
South Africa, import trade, in drill.. . . .	109	Colombia, relations with Canada.. . . .	184
Stoves		Cuba, customs regulations when ad valorem duties involved.. . . .	697
South Africa, imports of ranges and parts, 1924.. . . .	210	Cyprus, preferential of.. . . .	183, 618
Straits Settlements		Czecho-Slovakia, flour and grain certificates of origin.. . . .	570, 665
Canadian trade with, 1925.. . . .	373	wheat and flour duties.. . . .	419, 728
Economic situation in.. . . .	251	Denmark, and customs regulations.. . . .	184, 751
Subsidy (Coal)		foxes: import conditions.. . . .	571
United Kingdom, effect of in South Wales coal trade.. . . .	520	Fiji, preferential of.. . . .	183, 618
Sugar		Finland, relations with Canada.. . . .	184
Australia, exports.. . . .	620	France, increase.. . . .	497, 603
production.. . . .	714	tariff relations with Canada.. . . .	183
record crop expected.. . . .	148	Germany, agreement with Switzerland.. . . .	55
Belgium, situation in.. . . .	248	conventional duties with Italy.. . . .	55
Italy, new duties.. . . .	386	grain and flour duties.. . . .	769
Peru, cultivation.. . . .	756	Greece, conventional on certain lines.. . . .	497
United Kingdom, imports.. . . .	281	flour: chemical restrictions removed.. . . .	187
Ulster's imports, 1924.. . . .	139	wheat and flour duties.. . . .	124, 476, 477
West Africa, inquiries for from.. . . .	216	Haiti, new.. . . .	92
Sugar Beet		Holland, relations with Canada.. . . .	184
Irish Free State, industry.. . . .	166	Hong Kong.. . . .	805
Sulphate of Copper		Indo-China (French).. . . .	14
Mexico, imports.. . . .	44	Irish Free State, oatmeal.. . . .	635
Sulphur		wireless sets.. . . .	635
Mexico, imports.. . . .	44	Italy, conventional duties with Germany.. . . .	55
Sulphuric Acid		newsprint duty increased.. . . .	497
Mexico, import trade.. . . .	45	relations with Canada.. . . .	184
		sugar duties, new.. . . .	386

	PAGE
United Kingdom—Con.	
Butter and cheese market in Glasgow.	432
and cheese prices: effect of strike..	782
duty increase..	333
Buttermilk (semi-solid): inquiry for ..	243
Cables for Cardiff: tenders..	520
Canadian shipments to in 1925..	242
Canadian trade with Newcastle..	66
Catalogues wanted for London office..	202
Cattle (Canadian) in North of Eng- land..	331, 780
restriction in Manchester..	197
Certificates of origin for..	418
Coal subsidy: its effect on South Wales	520
Commercial travellers' samples regula- tions..	385
Commodity markets in North of England..	133, 517, 676, 813
Course of prices in 1925..	196
Egg market in North of England..	519
Eggs: marketing rules in Northern Ireland..	621
Empire products in increased demand..	239
Empire Shopping Weeks..	269, 363
Excelsior: market..	220
Exports (Canadian) to Newcastle-on- Tyne..	551
Finance and capital issued during 1925	197
Flour market in West of England..	311
Food and farm products regulations: Scotland and Northern Ireland.	521
Freezers (ice-cream): market ..	330
Frozen meat trade in 1925..	461
Grain trade and grain-handling facilities at Bristol Channel ports..	741, 783
Hay shipments to Glasgow: a warning	259
Hogs (live) from Canada..	432
Imports of interest to Canadian firms, 1924 and 1925..	514
Import trade of Scotland and Northern Ireland..	228, 279
Income tax liability of non-resident firms..	1, 430
Infusorial earth: market..	309
Invoice requirements of..	817
Lard market in Liverpool..	779
Latch needles in the English Midlands	739
Leather market in..	548
Liverpool's imports of food products	816
Liverpool trade review for 1925..	229
Meat carcasses embargo..	778
Merchandise Marks Act..	121, 400
Northern Ireland's trade..	135, 167, 202
Overseas trade, January-March..	582
Paper trade of Bristol area..	163
Pit props market in Scotland..	464
Prices: course of in 1925..	196
Produce market in Glasgow..	313
Provision trade of Newcastle..	67
Pulp trade of Bristol area..	163
Radio sets market in West of England	98
Reports of Trade Commissioner Douglas S. Cole, Bristol:	
December 22, 1925..	98
December 30, 1925..	163, 198
January 4, 1926..	234
January 15, 1926..	220
January 30, 1926..	278

	PAGE
United Kingdom—Con.	
Reports of Trade Commissioner Doug- las S. Cole, Bristol—Con.	
February 9, 1926..	311
February 22, 1926..	332
February 27, 1926..	363
March 9, 1926..	394
March 11, 1926..	431
April 7, 1926..	520
April 20, 1926..	586
April 28, 1926..	651
May 12, 1926..	741, 783
May 26, 1926..	739
May 29, 1926..	782
June 7, 1926..	812, 813
Reports of Trade Commissioner G. B. Johnson, Glasgow:	
December 17, 1926..	135, 167, 202
January 6, 1926..	226, 279
February 8, 1926..	313
February 15, 1926..	329
February 23, 1926..	363
March 11, 1926..	432
March 12, 1926..	434
March 15, 1926..	433
March 16, 1926..	464
March 26, 1926..	521
April 8, 1926..	548
April 15, 1926..	549
April 23, 1926..	621
May 24, 1926..	745
Reports of Trade Commissioner Harry A. Scott, Liverpool:	
December 19, 1925..	66
December 21, 1925..	68
January 8, 1926..	129, 130
January 14, 1926..	215
January 22, 1926..	229
January 28, 1926..	243
January 29, 1926..	274, 309
February 6, 1926..	275
February 8, 1926..	331
February 15, 1926..	330
March 1, 1926..	486
March 6, 1926..	397
March 18, 1926..	432
April 7, 1926..	519
April 8, 1926..	517, 554
April 9, 1926..	551
May 4, 1926..	649, 650
May 7, 1926..	676
May 31, 1926..	779
June 3, 1926..	781
June 4, 1926..	780, 778
Reports of Trade Commissioner Harrison Watson, London:	
December 9, 1925..	1
January 21, 1926..	193, 239
January 25, 1926..	272
February 16, 1926..	304
February 26, 1926..	385
March 4, 1926..	400
March 12, 1926..	430
March 15, 1926..	429
March 22, 1926..	461
April 20, 1926..	582
April 21, 1926..	583
April 23, 1926..	585

	PAGE		PAGE
United Kingdom—Con.		Venezuela—Con.	
Report of Trade Commissioner Harrison Watson, London—Con.		Geographical position.. . . .	689
April 27, 1926.. . . .	615	Products and industries.. . . .	690
May 14, 1926.. . . .	711	Representation and business methods.	692
June 2, 1926.. . . .	817	Shipping formalities in.. . . .	791
Representation in.. . . .	464	Tariff relations with Canada.. . . .	184
Safeguarding duties in.. . . .	156,		
duties: their effect.. . . .	583	W	
Spillers' report.. . . .	520	Washing Machines	
Sitka spruce: inquiry for in.. . . .	649	Argentina.. . . .	753
Spoolwood market in.. . . .	552	West Africa	
Tariff changes.. . . .	603	Biscuits: market in.. . . .	554
Tariff relations with Canada.. . . .	183	Canadian trade with.. . . .	79,
Timber trade in North of England..	129	Economic development in.. . . .	467
Tooth brushes: market.. . . .	586,	Inquiries from, for various commodi-	
Trade by countries, 1925.. . . .	305	ties.. . . .	215
Trade in 1925.. . . .	193,	Openings for Canadian products..	103
Underwear (Canadian): market..	394		
United States		Western Samoa	
Artificial silk industry.. . . .	753	Preferential tariff of.. . . .	619
Automotives: countervailing duties on		Tariff relations with Canada.. . . .	183
Canadian.. . . .	697	Wheat	
Belgian imports from.. . . .	660	Australia, harvest.. . . .	148
Birch: marking on imported.. . . .	827	New South Wales, standard.. . . .	372
Conditions in.. . . .	121, 406, 648,	Canada, exports increase.. . . .	121
Butter market in.. . . .	362	China, crop prospects.. . . .	807
Corn borer quarantine modifications..	792	situation.. . . .	473,
Crops: values of farm.. . . .	86,	trade in.. . . .	379
Flax tow market conditions.. . . .	407	Czecho-Slovakia, duty.. . . .	419,
Flour exports: comparison with		Denmark, trade in and flour.. . . .	774
Canada.. . . .	457	Greece, duties.. . . .	124
Frozen meat trade in 1925.. . . .	463	Japan, increase in imports.. . . .	569
Gold and silver production 1925.. .	121	tariff revision as affecting.. . . .	356
Hay: marketing of Canadian.. . . .	644	production.. . . .	356
Imports from Canada under three		Mexico, Canadian in.. . . .	564
tariffs.. . . .	150, 270, 370, 546, 642,	New Zealand, import conditions..	218,
Lumber (sanded) products: duty.. .	123	tariff on.. . . .	452
Newsprint production.. . . .	679	Peru, and flour market in.. . . .	510
Poultry exchange in New York.. . .	753	South Africa, tariff.. . . .	476
Pulp and paper trade of.. . . .	468	United Kingdom, imports in Northern	
Reports of Trade Commissioner		Ireland.. . . .	137,
Frederic Hudd, New York City:		Whisky	
December 29, 1925.. . . .	121	Cuba, imports from Canada.. . . .	354
January 5, 1926.. . . .	86	Wireless Sets	
January 8, 1926.. . . .	121	Irish Free State, duty on.. . . .	635
January 11, 1926.. . . .	120	Wires and Cables	
March 8, 1926.. . . .	362	South Africa, imports.. . . .	144
March 17, 1926.. . . .	406	Wood	
March 20, 1926.. . . .	407	United Kingdom, imports of Northern	
March 23, 1926.. . . .	468	Ireland.. . . .	167
May 8, 1926.. . . .	644	Woodpulp. See Pulp.	
May 12, 1926.. . . .	648	Wood Distillation	
May 28, 1926.. . . .	753	Federated Malay States, plant estab-	
June 1, 1926.. . . .	753	lished in.. . . .	440
"Sheep" includes lamb in tariff.. . .	635	Wool	
Shipping, 1925.. . . .	273	Australia, New South Wales, sales at	
Suggestions for Canadian firms export-		Sydney.. . . .	149, 373,
ing to.. . . .	265	invention of artificial.. . . .	620
Trade with Canada (graph).. . . .	86	Wrapping Paper	
		United Kingdom, trade in West of	
		England.. . . .	198
V		Z	
Venezuela		Zinc (White)	
Banking and monetary system.. . . .	692	Mexico, imports.. . . .	45
Cities and seaports.. . . .	690		
Communications.. . . .	690		
Export and import trade.. . . .	693		

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